

Incomplete

Report on the Sudder
Spelling System.

Indexed
K.R.

Notification

Mundydroog Division - Arrack

I Tenders are hereby invited for the exclusive privilege of manufacturing and selling Arrack in the

^{*} Bangalore Town and Cantonment from 1st October 1876 to 30th September 1878, subject to the conditions

Bangalore district hereinafter set forth. The privileges

Kolar district will not include the sale of Toddy

Tumkur district of European Wines and Spirits, or

of Beer or the manufacture of Beer.

II Each tender must be accompanied by a deposit of Rs. 1000 in cash and enclosed in a cover superscribed with the words "Tender for the exclusive privilege of making and selling Arrack". It must be sent to the Commissioner of the Mundydroog Division so as to reach him on or before the 31st July 1876, after

after which no tender will be received. The tenders will be opened by the Commissioner in public and before any Tenderers who are present at the Fatcherry on the 31st July 1876. The final disposal of the tenders will rest with the Commissioner, who will have full power to accept the tender which he considers most advantageous to the public interest. The decision of the Commissioner will be announced on or before the 15th August 1876, and communicated direct to the tenderers, and the deposits will then be returned to the unsuccessful tenderers on application.

III. The party whose tender is accepted shall within one fortnight after the Commissioner's decision has been communicated to him deposit with the Deputy Commissioner a sum in cash or Government securities endorsed to the Deputy Commissioner, which, with the deposit of Rs. 1000 made

made at the time of ^{the} tender, is equal to one fourth of the average realizations of the last 5 years (which will be the minimum annual amount, the tenderer must offer to guarantee) and if he fails to do so the deposit already made will be forfeited, the Commissioner's decision accepting his tender will be cancelled, and the Commissioner will come to a new decision on the tenderers already received, or call for further tenders, or dispose of the exclusive privilege in some other way.

IV. When the deposit as described above is made, the party whose tender and final deposit have been accepted shall execute an agreement binding the said party to conform to the conditions hereinafter set forth, and if he fails or refuses to sign the agreement by the 15th August/76, all deposits already made will be forfeited and the exclusive privilege will be assigned otherwise.

otherwise as the Commissioner may determine.

V. As soon as the agreement has been executed the Commissioner will issue a License assigning to the party whose tender has been accepted and who has made the deposits and executed the agreement, the exclusive privilege described in the 1st clause of this Notice subject to the following conditions-

Conditions

1. An excise duty of the following amount, ^{in addition to the prescribed local fund cap} shall be paid on every Imperial Gallon of Spirits issued by the holder of the License minus 5 per cent for ullage, and leakage

	20° below proof per Gallon			30° below proof per Gallon		
	Rs.	as	p	Rs.	as	p
Bangalore Town & Cantt.	3	"	"	2	"	"
Bangalore District	2	"	"	1	6	"
Kolar District	2	"	"	1	6	"
Tumkur District	2	"	"	1	6	"

2. These payments of excise duty shall be made on or before the 5th of the month following that on which the liquor is issued and interest at 9 per cent shall be paid on all arrears left outstanding on that date. Such arrears shall be recoverable by attachment and sale of the property of the holder of the License as per rules in force for the collection of arrears of Revenue. One-fourth of the annual Revenue which the holder of the license has guaranteed shall be paid into the District Treasury quarterly - vizt on or by the 5th of January; the 5th of April; the 5th of July; and the 5th of October; and if the payments of excise duties do not satisfy these requirements they shall be supplemented to the necessary extent. Interest at 9 per cent shall be paid on all arrears left outstanding on the dates mentioned in this clause; and in the event of any default in the payment of the guaranteed

guaranteed Revenue and of the expenditure on extra sales, the Commissioner may declare the license cancelled and recover all arrears with interest at 9 per cent either by the sums deposited or by attachment and sale of property, or of both

3. Distilleries and Depôts shall be established at the place or places indicated by the Deputy Commissioner and nowhere else, and shall be open at all times to inspection by the Commissioner or Deputy Commissioner, or any subordinate whom he may depute for that purpose. The cost, (to be fixed hereafter,) —————

————— of such Police Guards and gauging establishments as the Commissioner may consider necessary, shall be paid into the Treasury by the holder of the license monthly on the first of each month. No arrack shall be taken out of a distillery until it has been gauged and passed by an official

official appointed for that purpose

4. The ~~Protract~~^{is said} shall be of a strength as near as possible to 20° or 30° below proof.

5. The articles used in distilling shall be of the best description. No ingredients obnoxious to health shall be used in distilling or put into the spirit after it has been made.

6. The holder of the license shall keep true accounts of his receipts and disbursements, and of the quantity and strength of the spirits manufactured, issued, and received in each distillery and depot, and produce them whenever required to do so for inspection by the Commission or deputy Commissioner, or any subordinates whom he may depute for that purpose.

7. The holder of the license shall be bound always to have a months supply of liquor in store and in order that this may be the

Carr

Case on the 1st October/76, he will be allowed to commence distilling before that date, provided that no liquor so distilled shall be sold or passed out of the custody of the holder of the license, and his employes before the 1st October 1876.

8. The holder of the licence shall be allowed to have wholesale shops in all Cusbas, and large towns (a list of which will be furnished on application) on payment of the prescribed license fee of Rs. two per shop per month.

9. In addition to the excise duty, the present license fee will be levied on all retail Arrack Shops, and printed licenses issued to the shopkeepers. Retail shops shall not be opened except at the places determined by the Deputy Commr., a list of which may be obtained on application to him. As regards the Bangalore Cantonment and Pettah, the list will be supplied by the President of the Municipal Board.

The license holders shall not interfere with

3/4

with the retail shopkeepers regarding their license which will be issued by the Deputy Commissioner himself. License holders may however be allowed to have retail shops of their own at their option.

10. Grain, Goods, Ornaments, wearing apparel, or other property shall not be received in barter or pawn for arrack. The license holder shall not sell by retail, arrack, either in the distillery or in wholesale shops.

11. The holder of the license shall cause every person whom he may employ to superintend distilleries or wholesale shops or depôts to execute, previous to such employment, such engagements as are compatible with the above conditions, and such engagements shall be deposited with the Deputy Commissioner within one month from the 1st of October/76. Moreover the holder of the license will use his best endeavours to secure
on /

on the part of all persons employed by him in the manufacture, carriage and sale of Arrack, a strict ad-

herence to the provisions of the engagements entered into by them and of the law, and if it comes to his knowledge that a breach of those provisions was committed, he will bring the circumstance to the notice of the Deputy Commr. in order that the penalties prescribed for the offence may be enforced, and further dismiss the offender from his service.

12. The holder of the license shall obey any additional rules which may be prescribed from time to time by the Commissioner, and shall cause the men employed by him in the manufacture, carriage, or sale of liquor to do the same.

13. The retail price shall remain as at present for the Town & Cantonment of Bangalore, and Taluqs with a prorata reduction only in the case of liquor 30° below proof.

Dists.	20° below			30° below		
	proof per			proof per		
	gallon			gallon		
Bangalore Town & Cantonment	5	"	"	3	6	"
Bangalore District	4	"	"	2	12	"
Kolar District	4	"	"	2	12	"
Tumkur District	4	"	"	2	12	"

14. If any wilful breach of these conditions is committed by the holder of the license, or with his connivance and privity by any of the men employed by him in the manufacture, carriage, or sale of Arrack, the Commissioner shall have power to declare the deposit forfeit and to cancel the license and either re-sell the exclusive privilege at the risk of the holder of the cancelled license or take it under Government management, and in every case the arrears shall be recoverable under the rules in force for the collection of arrears of revenue.

VI The following table exhibits

the average realizations of the last
5 years.

Districts	Quantity			Still head duty		
Bangalore Town & Cantonment	85,062	5	2 $\frac{2}{5}$	234,162	8	9
Ditto District	38,782	4	"	57,791	13	8 $\frac{4}{5}$
Kolar District	22,296	2	2 $\frac{2}{5}$	29,927	2	4 $\frac{2}{5}$
Tumkur District	6,203	4	6 $\frac{2}{5}$	69,477	11	2 $\frac{2}{5}$

[Signature]
Commissioner
Land Revenue Division

Proceedings of the Chief
Board of Inquiry -

Order - The Chief Commis-
attention has lately been
directed to ~~the~~ ^{alleged} ~~the~~ ^{by}
~~large profits which are~~
~~reaped by the distillers~~
~~under the former distilling~~
~~system. The very height~~
of that system is competition
among the distillers which
should result in keeping
the price of the liquor ^{fair}
low, but ^{it appears to} ~~be~~ beyond doubt
that such competition

certain alleged
irregularities in
the working of
the ~~system~~ ^{of the former}
~~system~~ ^{of the former}
~~of the former~~
under the ~~former~~
distilling system,
which appear to
call for early
consideration.

The very height

does not in reality exist,
there is a combination among
and that the distillers
some exist at least, and
combine to such an extent
which virtually makes them
~~that they are virtually~~

shareholders in an extremely
profitable concern. ~~Further~~
It is further alleged that the
~~distillers~~ ^{distillers} ~~generally~~ ^{generally} ~~find little~~
~~aid towards the detection and~~
illicit manufacture, and
these

of smuggling

there is ^{also} grave reason for the
suspicion
~~that~~ that liquor

is frequently passed out
of the ~~still~~ ^{distilleries} above the
authorized ~~strength~~ ^{strength} 19° below proof...

It is clear that these sales, which the Chief Comm.
2. ~~has been~~ ^{is satisfied} ~~is~~ ^{is} satisfied really exist to a greater or less extent
~~localised to some extent~~. Should not be suf-

The Chief Commissioner
is reluctant to substitute
some other for the sudour
distillery system throughout
the Province, but it is
evident that unless the
main feature of the sudour
distillery system - i.e. com-
petition - operates the
Govt. is defrauded of its
rightful dues. It may,
therefore, become hereafter
expedient to introduce
tentatively modifications
of the existing system
in one or two Districts.

3. The marginal

should not be suf-
fered to continue
unchecked...

Sir D. Lumsden's
views on the subject
are in favor of the
Sudour distillery sys-
tem, but unless the
main feature of the
system - i.e. competi-
tion - among the ^{distilleries}
manufacturers of spirit
is fully observed, it
must be evident that
the system works de-
fectively as one of
the chief points of
view to its success
Some modification of
the system to meet the
table drawback ~~appears~~ ^{appears} therefore

Expanding the whole
 of the existing
 into one
 he has districts with
 this object, is now under
 the C. P. M. Consideration

District.	Distilleries.	opened.	recd.	Revenue.	Consumption per head.	Dist.
Bengalore	Bengalore	124,984	29,398	8,28,354	7	10
Gulbarga	Gulbarga	14,675	18,344	6,18,954	7	10
Hydrabad	Hydrabad	69,822	8,727	6,32,239	7	10
Mysore	Mysore	61,266	6,126	9,43,187	7	10
Nasik	Nasik	23,350	30,911	6,68,417	7	10
Pune	Pune	83,666	11,661	4,98,976	7	10
Shimoga	Shimoga	20,825	20,558	3,33,925	7	10
Solapur	Solapur	63,229	6,204	5,31,360	7	10
Warangal	Warangal	50,418	4,985	50,55,412	7	10
Yadga	Yadga	15,934	15,152	102	7	10
		30,53	30,53	102	7	10
		38,04	38,04	102	7	10
		79,03	74,32	102	7	10
		48,12	48,12	102	7	10
		25,219	4,3	15,24	7	10

table shows the
 existing distilleries in
 each District, the no. of
 gallons issued from each
 and in 1872-73, the total revenue
 realized by Government
 thereon, the total popula-
 tion of each District, the
 average consumption per
 head of the population
 & the establishment
 maintained by Government
 at each distillery.

4. Three points at once
 suggest themselves for
 enquiry in connection with
 this table -

Firstly - Whether it is
 necessary to maintain
 all the existing dis-
 tilleries, and whether
 it would not be ad-
 visable to keep up only
 one distillery in each District
 at head quarters. This
 question has already
 been

been dealt with as
regards the Nagas
division, in which the
abolition of the Sival.
Koppa, Hariharpoor & Tarikere
distilleries has been

ordered. ~~The question~~
It has yet to be considered
with reference to the
Kolar District, and should
be reported on by the
Deputy Commissioner.
Separate orders will
be passed ^{in it as} regarding ~~the~~
Mysore District.

Secondly. The suspicious
small consumption
of liquor in some Districts,
especially ~~in~~ Tumkur
& Hebbal ~~Districts~~. In
the former ~~District~~, the
sudder distillery system ~~now only~~ has been regarded
~~must be looked upon~~ as a failure.
~~as having proved a~~
~~failure~~. The distillery
is occupied by only
one distiller, and

Conclusion that every-
thing in some form
must be general in
the District:-

The circumstances
support the advisa-
bility of selecting
this Dist. for the in-
troduction of the
measures referred
to above in para. 1,
and the C. Com. &
proposes that this
should be done, a
reasonable time for
closing his business
being given to the
present distiller,
on which latter
point the Com. &
will be communi-
cated with:-

the consumption is
so low as ~~clearly to~~
~~impossible to exist the~~
~~understand that every-~~

~~chief person~~. The Chief
Commissioner has there-
fore decided to make
other arrangements
for the distillery at
Oshimaseendra, but
before giving the present
distiller notice to quit,
the Chief Commissioner
desires to receive the
opinion of the Comm-
as to the length of
time, which should
be allowed to him.

Thirdly. It appears
to Sir Richard Owen
that the pay of the
Government official
employed to supervise
the distilleries is de-

proportionately small
~~when considered in~~
~~comparison to~~
the responsibility of
their position & the
duties expected of them

These officials
are known by the
several designations
of Supervisor, Daroga,
Moktesary & Mootshassi,
& their pay ranges
from Rs. 30 per mensem -
to Rs. 80. The Chief
Commissioner considers
that they should,
in future, be all termed
Darogas, & their re-
muneration raised
to Rs. 100 per mensem
from 1st January.
Before, however, any
Daroga is allowed to
draw ^{an} increased
salary a special report
~~should~~ ^{will} be made on
his qualifications
for the office. In regard
to the Esters, there
is a reason to fear
that many of them
are but imperfectly
acquainted with their
duty.

~~that~~ their pay should
be ~~fixed~~ according
to the quantity of
liquor issued from
each Distillery -
Proposals with this
object will be sub-
mitted for the sanction
of the Govt. of India
& that their remuneration
should be raised. They
will therefore be ~~classified~~
in three grades according
to the quantity of liquor
sold in the distilling,
drawing respectively
Rs 100, Rs 125 & Rs 150.
p.m.

it will probably not
be found practicable to
retain all the existing
office holders

and in carrying out
the new arrangements
no official will be
retained in their post
if it is found that they are not
qualified for the work.

duty, simple as it is,
& the Chief Commr.
requests that the
Deputy Commissioners
will make arrangements
to secure the presence
of all the Testers at
Bangalore on December
1st next. Their quali-
fications will then
be examined by a
competent person.

4. In conclusion, the
Chief Commissioner direct
that all distillers at
present engaged in the
manufacture of arrack,
and all who may hereafter
be admitted to Sudder
distilleries, shall be
required to sign an agree-
ment binding themselves
on the one hand not to
combine with a view
to smother competition,
& on the other to use
their

their best endeavours
to detect smuggling and
illicit manufacture.

Off Secretary.

Lead to
Ch. Cannon
for oppl.
R

Remarks on Draft Memo No
42 of 3 Aug 1875.

In Para 8 of CC's No. of 16 Oct 1874,
the following points connected with
the Distillery System were left for
further consideration: viz

(1) Whether one or more Distilleries
was necessary for each District. The
matter has been for the time settled in
the Nagpur Dist. - and subsequently in
the Ashtagram Dist., as the Koppur &
Kusum Districts have one Distillery
each. The Kolar District is in fact
the only District (other than those in
the Nagpur Dist.) which has more than
1 Dist. - and these not at all. The
the Dep't Comm was therefore desirous
in Para 8 (cl. 1) to report on the subject
to report from that Officer is not made
but the Comm's supervisor his own
opinion that the Nagpur Dist. No. 1
abolished, and one established at
Kolar. But as observed by the Dep't
Memo. Para 2/ Kolar is ~~not~~
superior from the Dr. & Dr. & Dr. & Dr.
regards the means of obtaining water
a full supply - the Comm's reply
to ask to report on this point.

In connection with this point, Col. Mass
recommended that the Mangalore Dist.
Shol. removed from its present site (5
miles N.W. of the under the Sampang.

Frank. The Captain alluded to
the cost of taking up the land, he
as the site of the old Brewery
and waste ground under the slope
might be used, the cost ~~of~~ ^{to} be
probably be very great. In other
respects, the site was to be objectionable,
as offensive to the residents of
Padre's place adjoining - and as
his refusal ~~to~~ ^{will} ~~discharge~~ ^{discharge}
his charges upon the Superintendent's
Farm lands lying below. It is
doubtful too whether the health authorities
who claim a sort of control over
the Sanitary ^{the} ~~the~~ consent to
the water being utilized in this
manner. I think the present
distillery the closure ~~the~~ ^{to} retained
- some additional precautions being taken
1/1 in forcing specific horns, ^{say from 7 to 9 in the morning} 2 or
3 times a week to issue of liquor,
when the Commission can visit
the place at intervals, & 1/2 in
improving the position of the Supervisor
or Sanitary so as to place him in
his job as far as practicable, about
Kempston.

2/ The second point has reference to the
the Sanitary Distillery - regarding
which the C.C. remarks there
a change of system might be
introduced tentatively - that
modification is referred to, I am
unable to do more from these papers,
but in Para 3 of his "note" on Distillery
of 4th of Sept 1894, Sir R. needs remarks
here, it might be possible, where
the Sanitary Distillery is

independent" men, & break it
up. - It is ^{now} ^{however} probable, that the
change contemplated took
the form of that which has
been adopted at Palghatty - &
which is directly adapted from the
system now initiated in some
of the Madras Districts - If the
latter system is to be introduced
experimentally - as I think it should
be in the Bangalore & Tanjore
Districts, I see no reason why
he should go to the expense of
erecting Distilleries at Tanjore
and Kolar, for the Bangalore
Distillery ~~could~~ is fully adequate
to supply all the liquor required in
the Dist., and great economy in
establishment would thus result. He
would be committing a good deal of
wastage in emergency of liquor
so far - but this is I think
balanced by the advantage of
a single Distillery, - the whole
Dist. being indeed no larger than
a District like Bellary -
If this course is determined upon,
the Bangalore Distillery will receive
prompt notice three months previous
to the 1st of January at the end of
the current official year, and will
then with 2 months to remove
their apparatus &c. within the
(or 2 months) after that date -
I shall notice the issue to the
Distilleries in the Kolar & Tanjore
Districts -
If this course be not approved

* The new Distillery will probably
agree to purchase all the
stock.

the question of repairing the
present Distillery at Limerick,
or erecting a new one in the Town
Square last session. The
present building is reported to
be in a dilapidated condition
and the Council recommended that
the site should be removed as early
as possible. Before going to
Committee to a large outlay
which may hereafter prove
unnecessary, the Corp Council
ought to order to report what
the repairs are estimated to
cost. These repairs need not
be of a solid character.

The 3rd point refers to the pay of Page 8/31 of Pro.
the Distillery Stables etc. - In the
note above referred to, Sir R. Keble
mentions proposals of the Govt.
India for adoption of a new
scale. This has been delayed
pending receipt of information
as to the salaries of the Distillery
officials - which has now been
obtained - It remains to be
determined what is of Distilleries
we are to have in future in the
Handy No. Dist., whether one
only, as I have above suggested, or
if each District is to have its Distillery,
whether one at Keshmulla or
substituted for the two existing
ones.

The above are the several points
alluded to in the Proceedings
of 10 Oct 1874. In his present

Letter, however the Comm. report
amply amply for raising the
Duty of Bangalore brewed
Beer, from 2 to 4 annas per
gallon. Col Pearce has taken
of 18 Jan 1873, ^{copy} appended this present
letter, from figures to demonstrate
that the taking the selling price of
Beer at 22 Rs per Hogshead, the
profit on buying 3 Hogsheads is
Rs 30 - or Rs 10 per Hogshead. As
a large quantity, the profit would
of course be less. Dr. Per State,
the selling price was Rs 25
per gallon, Hogshead - but his
estimate of profit is the same
Rs 10 per H. On the other hand
I am told that Mr Cocherell, the
Comm. of the Beer & Spirits has
arrived at the conclusion, after careful
inquiry, that the Beer sold has
been a higher duty than 2 Rs
per gallon.

Putting these considerations aside,
it is certain that under existing
circumstances, there can be no
vigilance exercised over the
manufacture & sale of Beer.

The 3 Breweries are scattered at
wide distances apart, and the
supervision over the ^{specimens} ~~specimens~~ from
these Breweries is simply nil.

The Breweries report 52 Hogsheads
within an enclosure - and there
is a good deal of land adjoining

kept Abraham also Brewery that
is well fitted for the purpose of
extending the Brewery enclosure.
It belongs to Abraham all the
are willing to sell it to Gov.
If, as ~~may~~ is anticipated, the
whether correctly or not, it is
difficult to say, the effect of
leaving the duty to 4 as per
shall be to distinguish the 2
small Breweries, Harewell &
Newbury, the position advantage
like has been gained. Abraham
all may have the monopoly of
brewing for a short time. but
if the Union is at once authorized
to negotiate the purchase of
the adjoining land adjoining
New Brewery, there will be no
want of competition in a very
short time, I believe.

Col. Pearce urges the measure
also, in order to protect the
~~Branch~~ ^{Local} ~~Branch~~ ^{Local} revenue which
is suffering it is known, from
the increased consumption of
Beer - which is undoubtedly a
very wholesome liquor.

This measure has also been
advocated by the House of Justice
and with the exception of Mr
Cocheret's opinion which opposes
it on the point of Botanical, where
the demand is of course less, &

Revenue of Distillery
Site - Improved
only in Beer &c

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at Bangalore, the opinions
of the local officers are & their
are unanimous on the subject.

I would not recommend the
decrease being imposed suddenly,
but to take effect say 1 Jan 15 Aug 15
1 Sept, which will enable the Officers
ready to ~~be~~ ^{re-}adjust their ^{arrangements} ~~arrangements~~
~~arrangements~~ like the Vendors -

There are the four principal matters
upon which the rules of the
Dep Comm are based. The
other points discussed in the
Comm's letter are of subsidiary
and may be disposed of in the
manner suggested by the Dep Comm
Mems^r M 23/7

Please return the statement
and report on Mushas
Abbey which I lent to
Ad. Thautalan - I think
any changes may well
be deferred till Jan'y 1876
but what they are to be
must be determined upon
now ~~Aug~~
to p other 24/2.

per Mr
24/2

Memo

Letter No. 218K of the 26
January 75 from the Com
of the Standhydroag Division

In para 2, fol: Trans
graphically describes the
evils of the present Sudder
Distillery System, all pro-
-ceeding from want of
competition, which has
led to its failure both fina-
-cially as well as morally
Altho' the Distillers & the
wholesale vendors have
thrived and enriched
themselves at the expense
of the State & the people,
they have not felt it
incumbent upon them to
aid the Government in
detecting illicit manu-
-facture or smuggling
Before condemning the
system, it is but fair, I
think to enumerate also
its advantages; it has
~~also~~ doubtless enabled
the Govt to ascertain the
exact quantity, quality
and strength of the liquor
leaving the Distillery, and
has secured the collection

of the still head duty
easily & without having
recourse to any coercive
process.

2. The question of the abolition
of the outlying Distilleries
has already engaged the
Chief Commr's attention,
and in the marginally
noted Proceedings, the outlying
Distilleries in the Nagar Du.
were ordered to be abandoned
with the exception of the
one at Sagar in the Shimoga
District and the one at
Hariharapur in the Kadev
District, which were retained
only as an experimental
measure. In the Sandeshwari
Division, the Bangalore &
Mysore Districts have
each one Distillery ^{adjacent to} ~~adjacent to~~
the Head Quarter Station,
but in the District of Kolar,
there are two Distilleries -
one at Srirangapur and
the other at Gudibanda,
both being ~~the~~ frontier
Taluk. A reference to some
of the old papers in the
 دفتر shows that these
two stations were preferred
for the purpose on account of

+ No 5063 8/12 Oct. 74.

frontier, and then alleged facilities for water and firewood, in which respect the town of Kolar, it must be admitted, is less favorably situated, and is besides in one corner of the District & not sufficiently central. However, it has one advantage of being the Head Quarters Station, and the Distillery if built there, can be more under the direct supervision of the Dy. Commr or any of his assistants. Colonel Pearce's proposal made in para 8 of his letter to establish one Distillery only at Kolar and to abolish the Distilleries at Gundibanda & Sriravidaspet may therefore be sanctioned.

3. The proposal contained in para 4 for the removal of the Bangalore Distillery from its present site to a suitable place below the bund of the Sumpung,

Lank involves heavy expenditure apparently without any counterbalancing advantages. The lands which Colonel Bence proposes to take up for the new Distillery are well cultivated & valuable holdings, and their acquisition would give rise to no end of discontent and trouble, not to speak of the cost to Govt. - Moreover, it is doubtful whether on the score of sanitation, the establishment of a Distillery in the immediate vicinity of a large and populous town like Bangalore, is advisable.

4. To prevent combination and introduce an element of competition among the Distillers, the Commr proposes in paras 25 to 32 to admit the marginally noted gentlemen to work stills in the new Distillery. I may observe that some of these men already own stills in the old compound, and are either Distillers themselves,

* Messrs Abraham & Co.
" Rop & Co.
Mr S. J. Ananthoon
Messrs Brown & Co.
Mr A. Narainsawmy Mo

or have recently sold
their interest in the un-
dertaking to others for
profit; and under these
circumstances, we cannot
reasonably ~~hope~~ indulge
in the hope of our ex-
pectations being fulfilled.
Further, it is not an
easy matter to detect
combination among Dis-
tillers, and the provision
made in para 9 of the
Chief Commr's order No.
5216 of 16th Octr. 74, and
³⁷ referred to in para 29
of Col: Pearses's letter, ~~will~~ ^{would}
I am afraid, be a dead
letter from the difficulty
in bringing the charge
home. Taking all these
circumstances into con-
sideration, I am inclined
to think that the time
has arrived when I may
safely recommend the
adoption in the town and
District of Bangalore of
the excise system that
is now being tried in
some of the Madras Dis-
tricts.

tracts. Under this system,
if I understand it
rightly, the monopoly and
sale of liquor is placed in a
District is leased
to some
to ~~any~~ one person or firm,
who pays a fixed excise
on each gallon of liquor.
Leaving the Distillery, and
sells it under the regulation
and restrictions as to
number of shops, minimum
price &c. of the farming
system, with the further
precaution that dilution
is not allowed. The superiority
of this over the Sud dar
Distillery system consists
in giving the Distiller
sufficient inducement
to suppress illicit manufactures
and smuggling, in addition
to the facilities for exercising
complete control over
the liquor traffic.

5. The precautionary
arrangements advocated
by Colonel Pearce in para 5
are precisely the same as
would have to be adopted
under the farming system,
and they involve an enormous
expenditure for constructing

-tion enumerated, without
bringing in any addition.
-al revenue commensu-
-rate with the expenses
attending the measure.

6. With reference to
para 7, the proposal to
erect a new Distillery en-
-closure at Tumkur
may be sanctioned. As
the present building
is said to be in such
a dilapidated condition
as to render a very
considerable outlay
necessary for its repair
a Distillery on a small
scale costing say Rs. 3 or
4,000 may be erected
from the savings in the
D. P. W. Budget, for the
current year.

7. From para 8, Clause
of the Chief Commission
Proceedings. No. 5216 of
the 16th Octr. last, it will
be observed that the
Tumkur District was
ordered to be selected
for the introduction of
an experimental
measure; no proposals

on this subject were received from the Commissioners. In Sir Richard Meade's minute forming the basis of the above order, it was directed that a Draft Official letter should be addressed to Mr. Shaw of the firm of Messrs. Parry & Co., but what action was taken upon this matter I cannot say.

8. Colonel Ransie's observations in para 10 with respect to the difference between the selling prices of arrack in this Province and those in the Madras Presidency, suggest, if I have appreciated them rightly, a reduction in the present rates of duty.

levied in this Province so as to enable the Mysore vendors to sell the liquor at the same rates as those prevailing in the adjoining Districts of Madras, which are not however stated; but this measure would lead to a sacrifice of revenue. The best remedy appears to be in checking smuggling over the borders

by increasing the
inspecting agency or by
adopting the excise sys-
-tem referred to in para
4 above

9. With reference to
what is stated in para 11,
we cannot ^{prevent} the importan-
-tion of cheap brandy &
strong beer. The consump-
-tion of these liquors
may, however, be checked
by the imposition of a
heavy license fee upon
shops selling them as a
kind of protecting tax.

10. The evils described
in para 12 can only be
removed if, sooner or
later, we follow the course
sanctioned for the Mysore
District. The Govt. will
then derive the full bene-
-fit of the monopoly which
now goes to a few middle-
-men as Distillers &
wholesale vendors, but as
it may perhaps be con-
-sidered objectionable to
identify Govt. directly with

the liquor trade of the country,
the excise system may
be substituted with advantage
in the 3 Districts of the Nandy-
droog D^o, in which I do not
think that there are any
special tracts which are
inaccessible & scantily
populated, and to which
it may not ^{perhaps} be desirable
to advocate the introduction
of the measure in question.

11. Referring to the proposals
conveyed in para 13, I
may observe that much good
has ~~not~~ come out from
the system of offering
rewards to induce people to
aid in the detection of
smuggling; the person caught
smuggling pays at once
more money into the hands
of the detector than what
the latter could hope to get
under the rules from Govt.
after some time & trouble
in bringing the charge home.

12. In para 14, the Comm^r
suggests the appointment
of the retail vendors by
the Govt. I may submit

here that this is going again too much on the other side; there would be no end of foul play in the exercise of patronage by official underlings, & I would therefore simply say that we shall not be guided in issuing ~~by~~ the retail licenses by the recommendations of the Distillers who supply the liquor.

13. Paras 15 to 17 refer to the enhancement of the still-head duty on beer. The liquor at present pays a duty of 2 Annas per gallon, and the Comm^{rs} recommends that it be raised to four annas. The reasons given are that beer is rapidly supplanting Toddy and finds ready & large sales in the market and that it will hereafter become necessary to exercise close supervision over the working of breweries. This is further exemplified by the

intues made in the margin which
will show a decrease in
arrack, and an enormous
increase in the sale of beer.

I think the duty can safely
be raised to 4 as per gallon, Arrack -
but before sanctioning
the increase, it is necessary
that we should have
some information as to
the selling rates of beer,
the cost of brewing, and
the net profits to the
brewer. Taking the figures
furnished two years ago,
in the Comr's letter No 192

Quantity consumed in 1873-74. Quantity consumed in 1874-75.
G. B. D. G. B.

Arrack - 134,168 2 5. 114,338 5.
Beer . . . 58,617 . . . 122,688 .

[Faint handwritten notes and stamps]

dated 18th January 1873,
the cost of brewing 3 Hoppheads
of beer may be put down
at Rs. 36 as per particulars
noted in the margin; this
quantity is sold as therein
stated for Rs. 66, leaving
a profit of Rs. 30. on the
whole, or Rs. 10/- per Hopphead
of 52 gallons. If these
figures be accepted as
representing also the
present cost of materials
& manufacture, we cannot
safely raise the duty to

	Cost
150 lbs of crushed wheat -	15.
120 lbs of common Sugar -	8.
3 lbs of hops .	8.
Firewood & labor -	5
	<u>36.</u>

The figures were
submitted to the
Honble Secy to Govt
for their consideration
and they have been
approved. It is
probable that the
duty will be raised
to 4 as per gallon.

4 As per gallon,
which would come up
to Rs. 13/- per Hogshead.
Besides this the brewer
will have to pay 13 Annas
for Local funds, so that
he will be charged with
altogether Rs. 13/13/- per
Hogshead, & would con-
-sequently be left with-
-out any profit at all.
A further report may
therefore be called for
on this subject.

14. As regards paras 18 & 19
the Toddy shops already
pay Mohatarfa shop tax,
and it would be hard
if the retail vendors
are required to pay a
license fee in addition.
The reason given for the
exemption of the Distillers
from payment of a fee
for the licenses they obtain,
is in my opinion, not
sufficiently cogent to
entitle them to a conti-
-nuance of the indulgence,
and they may fairly be
charged with a fee of say Rs.
25/-.

15. The Commissioner strongly recommends the abolition of the system of selling retail shops by auction which is said to exist in parts of the Tumkur District. Opinions differ on this subject, and all that I can ^{well} say is that the system is working well in the Nagar Du, and is a source of revenue to Government.

16. Paras 20 to 22 relate to the revision of the Establishments attached to the Distilleries.

On this subject, I beg to invite attention to my Memo 12.68/ in which I have proposed

the marginally ^x noted rates of salaries for the Darogas or Supervisors. The testors

are also poorly paid, and a good knowledge of the use of the Hydrometer & the book of tables is an indispensable qualification

for the post. To secure qualified men for testing, I think the salaries should range from Rs. 30/ to 50, and be regulated according to the requirements of the Service.

^x
For Daroga at Bangalore - Rs. 150.
" " at Mysore & ?
Shamoga - Rs. 120.
" " at other Stations. 100
with Horse allowance of Rs. 30,
in each case.

The present establishment
of textors whose qualifi-
cations were reported
upon by Colonel Moore
and by Mr. Abraham
as shown in the statement
herewith submitted, will
have to be revised & a
careful selection made.

17. I beg leave to ex-
press concurrence in
the proposal made by
the Commr. in para 28 of
his letter and think
that either under the
Excise or the Amami sys-
tem, the price at which
the Distiller should issue
arrack to the vendor and
that at which the latter
should sell it to the
public should be fixed
by the Govt. But if the
present system is allowed
to stand, I do not think
the Govt. can interfere
in the matter; they can
raise the still-head duty
if necessary, but the ^{price} ~~rate~~
should be left to adjust
themselves according to

supply & demand of the
article, and to the good sense
of the vendor himself so as
not to injure his own trade
by demanding high rates
and thereby inducing the
latter classes to purchase
cheap European liquors, and
driving the poor to the necessity
of having recourse to toddy
and the new made beer
competing in the market

18. Para 30. Mr. Roff may
be allowed to establish a
brewery in the Cantonment
if the Bench of Justices
do not object to increasing
the number of beer shops
in it.

Mr. Arathoon's application
to sell Paulhally rum at
Bangalore was dealt with
in Proceedings No. 1595 of the
26th May 75, in which the
Chief Commr. declined to
grant the concession asked for
on the ground that the
arrack made in the Bangalore
Distillery and the Paulhally
rum were precisely the same
liquors with perhaps very

If the Madras system adopted
in Bellary & elsewhere is
introduced, the latter will
have no more to fear from
the former.

This committee here in
Madr. has said an absolute
limit of 500 of Beer shops, as
has been done in the case of
arrack shops.

little difference in
flavor & color.

19. The delay in submit-
ting this paper is owing
to the difficulty in getting
the required references;
they were found scattered
here & there, some without
Enclosures, and the latter
without covering letters.
When this letter first
came to me, I submitted
it with a note on 8th
February last, which
is ~~in~~ ⁱⁿ ~~the~~ ^{the} ~~note~~ ^{note}, and I was
obliged to get this up
from the straggling notes
I had in my possession
and those made in pencil
on the margin of the former
letter now submitted for
orders. I have also
shewn ^{in this note} ~~at the proper place~~
how some of the points
discussed in this letter
have since been disposed
of in connection with the
subjects or when brought to
notice separately.

Sub- like a "knew" in
then than remarks upon
the main points discussed above p. 23/4

8
B. J. ...
3 17 176

Almo No. 112.
in continuation of No. 142.

1. In this Office letter

noted in the margin, the

sum was referred to the

Chief Commr's proceedings

No. 2587 of the 11th March

315

last, raising the Excise

duty on beer from 2 to 4 annas

has per fallen, and requesting

a separate report as to whether

any further measures are

necessary in regard to

this liquor.

2. With reference to Ar-

ract, the Off^r Chief Commr

observed that it has been

repeatedly proved by ex-

perience in other provinces

that all attempts to break

up combinations among the

distillers will fail if the

Sadar Distillery System

as now worked is main-

tained, and that this com-

combination has everywhere

as in Mysore resulted

in a disastrous loss of

revenue; that some modi-

fied system similar to

that recently adopted in

the Madras Presidency

x No 281 of 10.4.76

must be introduced as
the only means under
which the State can
realize its proper dues from
the taxation of liquor, and
Col: Pearse was requested
to submit his opinion
as to whether it would be
advisable to call for
tenders for the exclusive
privilege of manufacture
only or both manufacture
and sale. In drawing
the Commr's attention to the
Advertisement published
in the Fort St. George Gazette
of 13th April 1875, he was
requested to prepare a
similar notification with
necessary modifications,
to adopt it to the circum-
stances of the Bangalore
District, in which the
Off^g Chief Commr^r wished
to introduce the System
Experimentally for 2 months
from the 1st of July next.
It

It was also directed that the particulars as to the No. of fallons sold in the town and Country during the past 5 years as well as the duty, license fees and retail price sh^d be given.

3. It was observed that under the Madras System the right to manufacture and sell spirits is vested in a single individual who pays a fixed duty and guarantees a fixed gross revenue, and if the payt. of excise duty on the liquor issued from the distillery during a quarter falls short of one-fourth of his guarantee he is required to make up the amount by a fixed lump payment.

The effect of the guarantee is to induce the distiller

to

to check anything like illicit distillation or smuggling out of the distillery, as either would necessarily reduce his payment of Excise duty and increase the lump payment referred to. The Distiller is permitted to sell liquor at three different strengths, but this it was remarked, would probably be unnecessary in Bangalore, where all liquor ~~might~~ might be sold at present price and strength which would obviate the imposition of a maximum and minimum rate. It was further observed that the duty exclusive of the Local Fund Cess will have to be determined with reference to the retail price, and that in the Madras Presidency Rs 1-4-0 per gallon is calculated

to cover the cost of
manufacture and sale
but the spirit is 30° under
proof. whereas here it
has hitherto been 19° below
proof; and that the cost
may therefore be fixed
at Rs 1-4-0 per gallon.

4 The Commr. reported
that the Madras System * No 25 of 19-4-76
above referred to cannot
conveniently be introduced
from the 1st July next,
as the time is too short,
and suggested that it
be extended to the 1st
of October next. This
has been accordingly Ch. Commr's Proceedings
sanctioned. No 1048 of 8-5-76

5 The Commr. now
submits for approval * No 50 of 2-6-76
a Draft Notification cal-
ling for tenders for the
exclusive privilege of
manufacturing and
selling Arrack in the
Several

Several Districts of
the Kandivory Dn, in
which he is of opinion
that the Madras System
may be tried from the
1st October next.

6 In preparing the
draft notification, the
form^r has taken for
his model the adver-
tisement published
in the Fort St. George
Gazette of the 13th April
1875 in regard to the
Tanjore and Coimbatore
Collectorates with certain
modifications to adapt
it to the circumstances
of the Kandivory Dn.

7. The form^r proposes
that the minimum may
be fixed at the average
realizations of the last
5 years, one-fourth of
the minimum being
the

the amount of tangible security which the tenderers are ultimately to furnish; that the densities may be fixed at 20° and 30° below proof, the rates of duty and retail sale remaining as at present, for the towns, Cantonment and Talukis with a ~~pro~~-rata reduction only in the case of liquor 30° below proof.

Col: Pearse thinks that the Lessee should be allowed to have whole-sale shops in all Cusbahs and large towns and that for the present the existing retail shops should be allowed to stand. The license fee should be paid exactly as at

at present and extra
Sales beyond the mi-
nimum sh^d pay at
identical rates. Over
and above these con-
ditions, the Comm^r
considers there sh^d
be no interference
on the part of Govt
with the arrangements
which the Lessee may
make for the sale of
his liquor by retail,
provided, however, that
in all cases the Estab^t
of new shops must be
authorized by the Dist
Officer and the transfer
of any shop from one
place to another must
receive his approval.

8 The Comm^r proposes
to divide the Division
into 4 tenders, viz the town

and Cantonment of
Bangalore, the Banga-
lore Distt, Kolar Distt
and the Tumkur Distt.

9. The late Offg Chief Commr
to whom the Commr's
letter was sent direct
was unable to pass
final orders before
he was relieved, but
he has recorded his
opinion as follows.

"I think the plan
proposed by Col: Pearse
may be tried but I
would allow the Renter
to have management
of all shops except
in Bangalore. He
will not be able to
manage outside without
this. The duty too might
well be raised to Rs
at least Rs 3-4-- and
Rs 2-4-- without
altering

valuing prices, but
 Col. Pearse may be
 asked to consider this
 point with reference to
 the copy of the Coorg
 Proceedings which was
 lately sent to him."

Dufter note

10. From information
 which I have privately
 obtained, I find that
 the cost of manufacturing
 45 gallons of arrack
 in our still, 19° undr.
 proof, is about Rs 32.5-4
 as per details given
 in the statement
 appended to this Memo.

This is at ^a 11 1/2 per gallon,
 which is possible only when
 the Distillery conducted effi-
 cient methods of working

The average cost per
 gallon is

R.	a	p
0	-	11-6

Add to this,

the present duty, 3 - 0 - 0

Local cess " - 3 - 0

Total cost 3 - 14 - 6

The whole-sale price,
 at which Distillers

sell the arrack to Retail
Vendors is Rs 4. 64.
The actual profit is 0. 7-10
per gallon.

11. If we take the
retail prices into consider-
ation, the profit made
by both the Distiller
and Retail Vendor
comes to about 14 Annas
per gallon, as shown
below

Cost of manufacture	0-11-6
Duty including cess	3-3-0
Total Rs.	3. 14. 6
Retail price Rs	5 " "
Difference	1-1-6
Deduct Licence fee	0-3-8
Profit	0. 13-10

12. If, as proposed
by Mr. Dalzell, the
rents in the Town
and Cantonment of
Bangalore is not
to have the manufac-
ture of the retail
shops, we cannot

+ The Licence fee is Rs 15 per mensem,
and this rate of Annas 3/8 is calculated
on the assumption of 1000 gallons of
the monthly sales and 12 months
the Rs follows

will raise the duty
to Rs 3/4, as suggested.
It may, however, be
fixed at Rs 3/2, leaving
a margin of about
6 annas per each
gallon for the contractor.
Taking the average
consumption for the
last 5 years, which,
according to Col Pearce's
statement, is 85,062 gallons,
the profit would
be about Rs 31,656-
per annum.

If Bangalore Town, Cantonment
District and the Districts
together, the duty may be
suggested by the District
& assessed at Rs 3-4
per gallon.

13. In the Districts
where it is proposed
the Planter should
have the management
of all the shops,
we may safely
increase the duty.
The cost of manufacture
in places like Kola
and Trunkur would
be less than that

incurred at Mangalore
The duty may, I think,
be raised to Rs 2/8 per

gallon - The profit wd then be
about 11½ as per following calculation:-

Cost of manufacture say	0 - 10 - 0
Duty	2 - 8 - 0
Cres	0 - 2 - 6
	3 - 4 - 6

The selling price is Rs 14 0 0

Renters profit — 0 11 - 6 per gallon.

14. The above remarks
apply to the issue of
liquor of the present
strength.

15. Colonel Pearce
proposes, that the
densities may be
fixed at 20° & 30°
below proof.

16. It may be said,
that persons who
were hitherto ac-
customed to drink
arrack of 19° under
proof would not
be disposed to
indulge themselves

in arrack of less strength. Toddy is brought into Kanfa from Sholur and other places. It takes about 10 or 12 hours to reach Bangalore, and it seems that, during the hot season, it is well fermented during the transit, so much so, that a seer of it is equal to 2 draughts of our arrack, 19° under proof. If this be true, the ordinary consumers would certainly prefer Toddy to arrack of 30° u.p.

But I am inclined to think, that arrack altho passed in the Distilleries at 19° u.p. is not sold in the shops unadulterated

and undiluted. Here
in it seems to me,
lies the whole secret.
With any amount
of supervision, which
is now exercised
thru the agency
of an illpaid staff
of servants who
are not above
temptation, it would
be difficult, indeed
to detect illicit-dealing.

17. In Coorg and
on the Nilghevies,
which is a colder
region than Bangalore,
the Abkarri Contractor
is not permitted
to sell liquor at
a strength above 30°.
Even there, the vendors
are not free from
the practices of adultera-
tion and dilution.

During his tour in the
last year 1900, the
for the present occasion
the strength of the alcohol is
not being placed, and found
it unusually at the proper
strength. 1900. H.

that, in Bangalore
where the strength
of liquor is so
high as 19° up. at
the time it is
sent out of the
distillery, it would
be sold without
adulteration? I am
afraid not. I
may here state,
confidentially, that
in a case which
I had to try it
was brought to
my notice that
an abkarny Contractor
applied to the
Board of Revenue
and obtained
remission to the
extent of Rs 90,000

on the ground
that he had sustained
losses in the
sale of amakka,
of which he had
the monopoly. whereas,
subsequently, when
the Contractor and
his copartner settled
accounts they divided
this large sum
of 90000 Rs as profits
between themselves.
Each had for his
share Rs 45,000. In
fact, the permission
amount was added
to profits and the
whole divided between
the partners, the ac-
counts disclosing
no loss whatever.

18. I would, therefore,
recommend that, as
a rule, the manufacture

I am decidedly of
this opinion

of spirits of one
strength only be
allowed, and the
lower it is fixed
the greater check
there would be
against illicit dealing.
I would propose
 25° under proof
as a mean between
the two strengths
proposed by Mr

~~This is the strength lately
fixed for the Laysan Distillery
and the L. L. Commission
I adopted it in the Standard
Dist.~~

Pearse - or 22° ,
if the former is
considered too low.

19. If the above
proposal of mine meets
with approval, I
may add that,
as the cost of
manufacture would
be less than at
present, the selling
prices may be

reduced as
shown below:-

Bangalore Town

Maintenance Rs 4. 8. 0 per
gallon or $1/6$ per drum.

In the Districts " 3-12 0 per
gallon or $1/3$ do.

20. The duty payable
to Government may
be retained at the
present rates, viz.

Bangalore Town Rs 3 per gallon
In the Districts " 2 per do

~~These rates are~~
The Bangalore proposal is
to retain the rates in
the present
duty and retain the present
selling rates by

21. The following
abstract represents
what would be
the financial results,
if my suggestions
are adopted.

	Average consumption in 5 years in gallons	Duty payable to Govt. @ 3 Rs per " 2 Rs per " " "	Total
Bangalore Town	85062		255186
Bangalore Distt	38782		77564
Mysore Distt	22296		44592
Tumkur " "	6203		12406
			389748

22 In Colonel Pearson's
statement the average
consumption is correctly
stated, but with regard

The maximum
amount of guarantee
may be fixed at
40000 of the
whole sum is to
be printed to a
single individual

to the realization,
the average put
down in his
statement cannot,
I think, be accepted
for our present
purpose of venturing
on the Abkhazian

Up to 31 June 1874
the still head duty
was collected at
the rate of Rs $\frac{2}{12}$ per Bang,
 $\frac{1}{8}$ per out-station
per gallon. The
duty has been since
raised to the rates
above mentioned.

I have, therefore,
taken the average
consumption as
the basis and
calculated the
income at the
present rates of
duty -

15949-2-4	271135-2-4
4847-12-4	82411-12-4
<u>20796-14-4</u>	<u>353546-14-4</u>

23. To the sum
 of Rs 389748
 mentioned in para 21
 of this Memo
 must be added
 the license fee
 paid by the whole
 sale & Retail shops
 which, according to
 the Govt's statement,
 amounts to Rs 40911^{*}
 making a total
 of Rs 430659, which
 must be guaranteed
 by the contractor
 in addition to the
 local cess, if the
 entire management
 is to be entrusted
 in his hands—

24. The cost of
 our present abkani
 Estt, is shown in
 separate statement

* This sum includes the amount
 realization from Wholesale & Retail shops,
 3 years to the Municipal Corp. & Cantonment.
 The figures for the year 2 years are
 not given the realization has
 been compared to the
 Municipal Corp.

389748
40911
430659

amounts to Rs 6228 ^{Annex}
and this requires
revision in con-
nection with the
proposed arrange-
ments - The rates
of pay & allowances
proposed by the
late Head Sh.
in para 16 of
his Memo No 142
may be adopted,
which would entail
an extra cost of
Rs 3324. ^{Attaining only}
^{one Dioltery in the Kolam}
^{either at St. Andrews or Guntur}
25 Coll. Pearson
proposal to divide
the N. Division into 14
tenders may be
adopted.

26 In the proposed
Notification submitted
with the Comr's letter,
it is stated that

the final disposal
of the tenders will
rest with the Comr.

But in the Madras
advertisement this
point is preserved
for the Board of
Revenue. If the

Madras District is
to be divided into
4 tenders, the
District officer may
be empowered to
receive the tenders
of their respective
Districts, in which
case the final dis-
posal may rest
with the ~~for~~ Comr.
But if the tenders
are to be received
by the Comr. they

may be submitted
to the Sheriff for
final award.

27. The rate of
interest proposed
to be charged on
arrear may be
reduced from 9
to 6 per cent.

28. The words
"on proper stamp
may be inserted
after the word
"agreement" in
para 4 of the Draft
Agreement.

29. The lessee
may be allowed
to have whole
sale shops, one
in Pettah and
another in the
township, and

one in each
of the Head Qrs
of Districts. If
the Town Hantt
is to be printed
separately, the
keeper of the Mangalore
Distt may be
allowed to have
another whole.
Sale shop in
Mangalore.

30 The other proposals
of the Comr with
regard to the re.
tention of the existing retail
shops, payment
of license fees and
collection of additional
duty on extra sales
may be sanctioned

31. The Comr proposes
that the new contract
system should come

1 Oct. went - It
as proposed by
Mr Dalgell, a
reference is to
be made to Col
Pearse, with regard
to the rates of
duty, there will
be some delay,
in which case
the inauguration
of the Contract
System may be
deferred till 1st
Jan'y 1877, which
will admit of
sufficient further
brief given to
the Notifications
inviting Tenders
by having the

same inserted
in several issues
of the Mysore
Madras Gazette -

32. With regard
to the last para
of the Commr's letter
I think that
the duty on
beer at present
levied is high
enough. And
if the selling prices
of anna be
reduced as proposed
by me in para 19,
the contractor need
not apprehend
any falling off in
the consumption
of anna - or meet
with much competition

from the vendors
of country beer -

C. P. Munnbrook

19/6/76.

Alms 172
no. 10000 to
the point of
the Alms
Rev. of 10000
drop 10000

untw Anaeth in one still which produces 45 gallons at
 in Cost under proof.

Materials and Ingredients &c at an average rate		Rs	c
Pane Jaggery 12 1/2 Mounds at Rs 1-4 per Mound		15	16
oddy Jaggery 6 1/4 -- do -- at Ans 12 -- do		4	16
Calasses -- 6 1/4 -- do -- at Ans 8 -- do		3	2
Capaul. Bark 1 1/4 do at 2 Mounds the Rupee		2	16
ie wood 14 Mounds at 8 Ans per Mound		1	
Total		25	4

Servants Wages & Contingences &c for one still

2 Male Servants at 2 Ans 8 pie (each) per day		"	16
2 Females or Boys at 2 Ans (each) per day		"	16
Wain for building		"	8
Vessels		1	
Drives		"	16
Establishment		2	
Interest on Capital for one still		1	
at Hire on an average for Can: & Town		"	16
do out District paid by the Vender of the whole		"	16
ps, the same included in the sale		"	16
Wage 12 draws		"	16
Total		6	
Total Cost		25	4
Grand Total		32	

M. G. P

--- 11-6
 3-11-11
 --- 3-11-11
 --- 3-11-11
 3-14-6

4-6-4
 4-6-4

--- 7-10
 --- 7-10

3-3-11
 4-3-11
 4-12-11

1-9-11

4-11-11
 4-11-11
 4-11-11

1-5-11
 1-5-11

1-4-11
 1-4-11
 1-4-11

Any sale to the...
 duty to Govt...
 Local Govt...
 13. 8...
 1 Dec. 1911...
 Profit on each...
 2. Under the...
 3-3-11...
 4-3-11...
 4-12-11...
 1-9-11...
 4-11-11...
 4-11-11...
 1-5-11...
 1-5-11...
 1-4-11...
 1-4-11...
 1-4-11...

Retail Vendors at Rs 4-4-4 per gallon for 45 gallons	197	13
Total	197	13
Still duty for 45 gallons at Rs 3 per gallon	135	4
Local Cess at 1 Anna per Rupee	8	7
Total duty and Local Cess	143	7
deducting Still duty and Local Cess from the sale of Vendors	54	6
Total Cost, & Servants Wages &c brought forward	32	5
Remaining Profit for 45 gallons	22	8

Sales in Cantonment and Town
 Distillers sell to Retail Vendors at Rs 4-6-4
 Retail Vendors sell to Consumers " 5-4-4
 or 1 Anna 8 pie the dram

Lalook

Distillers sell to Wholesale dealers - Rs 3-3-4
 Rent-hire license fee and other con-
 (agencies paid by the Wholesale dealer)
 Vendor - - - - -
 Wholesale dealers sell to Retail Vendors Rs 3-6-4
 Retail Vendors sell to consumers - - - Rs 4-11-4
 1 Anna 4 pie the dram

Profit by the Retail Vendors in Can & Town on each gallon
 Ans 11 and pie 4 -

Profit by the Retail Vendors in out District on each gallon
 Ans 10 - 4 -

per gallon, leaves the profit at 13 c.

per gallon -

17 Jan. 78

S. Ch. Co.

[Signature]

In reply to his letter
of 28 Jan & 17 Apr /75
Colonel Pearce may be
addressed by letter
referring him to recent
orders raising the duty
on beer to four annas
per gallon and asking
him to report in a
separate communication
whether he considers
any and what further
measures are necessary
in regard to this liquor

As to his proposals
regarding the Amak
he may be informed
that it has been repeatedly
proved by experience
in other Provinces that
all attempts to break

of combinations among
the Distillers ~~have failed~~ will
fail if the Sude Distilling
System as now worked is
maintained, and that
this combination has everywhere,
as in Mysore, resulted in
a disastrous loss of revenue.

That after a careful consideration
of the subject I am satisfied
that ^{some} such a modification
of the system has been recently
been adopted in the Madras
Presidency is the only plan under
which the State can realize its
proper dues from the taxation
of liquor, and prevent a large
proportion of them from being
diverted to the pocket of the
distillers & salesmen of the
spirits, but that I should
like to have an early expression
of his views as to whether it
will be advisable to call for
tenders for the ^{exclusive right of} manufacture only.

When
sent
the

or of manufacture and
sale. His attention may be
drawn to the advertisement
which appears in the
Fort St George Gazette of
13 Apr. /75 in regard to
the tax on & contributors
District and he may be
requested to draw up one
in a modified form which
will be suitable to the
Bangalore District, when
only I would like to put
down by the experiment,
say for 21 months from
1st July next. He will
observe that the right to
manufacture & sell spirit
is vested in a single
individual, who pays a
fixed duty, but at the
same time guarantees

1. a gross revenue

2. that if the person
pays duty on the basis

referred
to me at

[Signature]

must pay his distiller
during a guarantee falls
that of one fourth of his
guarantee, he is required
to make up the amount by
a fixed lump payment.

The effect of the guarantee is to
induce the distiller to check
anything like illicit distillation
or smuggling out of the distillery
as either would necessarily
reduce his payment of excise duty
and increase the lump payments
above referred to. The distiller
is permitted to sell liquor
at three different strengths. This
would probably be unnecessary in
Bengalore where all liquor might
be sold at present price & strength
which would obviate the necessity of
a minimum & maximum rate. The duty
including local fund would have to be
determined. This of course would depend
upon the price (retail) which I do not
yet make out. In Madras Rs 1.0.0 per gallon
is calculated to cover cost of making and of sale
but this the spirit is 30° U. S. whereas here it is 19° U. S.

In his draft advertisement he
should specify the number of
gallons sold for home & country during the
year for guarantee duty, license fee, & retail price.

Draft Memo. No 172 containing a précis of the
correspondence, with suggestions.

Draft note for action proposed by Col Rance. Letting the
Dahyeli notes to be used.

The following points are Mr. Rance's.

I. Is the new system to be
applied to the Naundy Dargah
Dahyeli, including Bangalore, or
only to Bangalore Dist, including
Tumkur & Cant.

Col Rance proposes to tender for
the manufacturing & sale of bread in
the following 4 divisions: separately

1. Bangalore Town & Cant.
2. Bangalore District
3. Kolar District
4. Tumkur District

He proposes that the Kolar & Tumkur
interfere with the present arrangement of
Retail Vendors - but that they should have
wholesale shops from which the Retail
Vendors can be supplied.

Mr Dahyeli (in his note to myself, see
end of Draft Memo.) considers that
the new system may be restricted at
first to the Bangalore District, including
the Town & Cantonment - and that
of the other two, it may be extended
to the Kolar & Tumkur Districts for 1

year from 1 April 1897 - in which
case, the Bangalore District D. & S. Officer
to supply all the grain required in the
District, the District being allowed to
specify the grain at proper & suitable proportions
in case of drought.

II. If the tender to be applied to
the Bangalore District -
Tumkur, at what strength

II Col Pearce proposes to have
two districts 20° & 30° below
proof. — paying 3 k. per gallon
for the former & 2 k. for the latter ...
the Bangalore Town & District. — and
Rs 2 for the former, & Rs 1-6 for this
latter in the District.

Mr Duffin suggests an uniform rate
of 25° u.p. — retaining the present
rate of duty viz Rs 3 for Bangalore Town
& 2 for District
while the selling rate may be reduced
from Rs 5 to Rs 4/8 for the Town & from
Rs 4 to Rs 3-12 for the District.

Mr Dalzell proposes that the
liquor be issued at 20° u.p. uniformly
and that the duty be raised to Rs 3-4
for Town, & 2-4 for District, the selling
rate being retained as at present. —
He shows that at these rates the profits
of the Distillers will be large — but in case
these rates be adopted, he will be obliged
to provide that the selling rate to the
retail vendors be set lower as at
present —

Mr Dalzell suggests that in case there
should be a demand for liquor of a lower
strength than 20° u.p., the Distiller
though paying State head duty at the
20° u.p., might be allowed to sell liquor
at his Wholesale shops at 30° u.p.,
at proportionately reduced rates to the
retail vendors.

shall be begun to
issue, and at what
rate of duty — & selling
rate?

III Col Pearce proposes to fix the term
of the license for 1891 to 30 Sep 1898.

III. Is the term of the license
to be up to 30 Sep 78, or

Wm. P. M. & Hunter to 1873
March 1878. _____

I am prepared to coincide in the
recommendations - the proposals for
the change in the present system
have been fully considered & have
before this time, and having to be
very largely upon the same ground.

577

To Father

Dear Father
I have been thinking of you
and your family very much
and hope you are all well
and happy as usual.

I have been thinking of you
and your family very much
and hope you are all well
and happy as usual.
I have been thinking of you
and your family very much
and hope you are all well
and happy as usual.
I have been thinking of you
and your family very much
and hope you are all well
and happy as usual.

B.F.

6/7/76

No 5216
No 34 of 16th Oct

Order.

LR
74-75
1261

The Chief Commissioner's attention has lately been directed to certain alleged irregularities in the working of the Abkarry arrangements of the province, under the Sudder Distillery system, which appear to call for early consideration.

2. The very keystone of that system is competition among the Distillers which should result in keeping the price of liquor moderately low, but it appears to be beyond doubt that such competition does not in reality exist, and that there is a combination amongst the manufacturers

in some cases at least to an extent which virtually makes them simply shareholders in a highly profitable business.

3. It is further alleged that the distillers generally take little interest at present in the detection and prevention of smuggling and the illicit manufacture of spirits, and there is also ground for the suspicion that liquor is not infrequently passed out of the Distilleries above the authorized strength viz: 19° below proof.

4. It is clear that these evils - which the Chief Commr. is satisfied really exist to a greater or less extent - should

not be suffered to continue
unchecked.

5. Sir Richard Meade's
views on the subject are strongly
in favor of the Sudder Distillery
system, but unless the main
feature of that system, viz: Com-
petition among the manufac-
turers of spirits, is ^{fully} maintained,
it must be evident that the
system works defectively on
one of the chief points essen-
tial to its success.

6. Some modification of
the system to meet this
drawback appears therefore
to be called for under the
present state of things in these
respects, and the expediency of
introducing certain measures
with this object into one or

7.

8

;

total

1) The necessity for the maintenance or otherwise of all the existing Distilleries, and if one Distillery maintained at District Head Quarters would not suffice for each District.

This question has already been dealt with as regards the ^{Nagar Division} ~~Mysore District~~ in which the abolition of the Distilleries at the out stations noted in the margin has been ordered. It has yet to be considered with reference to the Kolar District, and will be reported on by the Deputy Commr.

2) As regards the Ashtagram Du separate orders will be issued.
3) The suspiciously small

6

Consumption of liquor in some districts - especially Tumkur and Hassan. In the form the Sudder Distillery system can only be regarded as a failure. The distillery only occupied by one distiller, and the consumption is so low as to render it impossible to resist the conviction that smuggling in some form must be general in the District.

The circumstances of this distillery suggest the advisability of selecting it for the introduction of the measures referred to above in para 6, and the Chief Commr proposes that this shall

shall be done, a reasonable
time for closing his business
being given to the present
distiller, on which latter
point the Commissioner of
the Division will be com-
municated with.

(3) It appears to Sir R.
Meade that the pay of the
Govt. officials employed to
supervise the Distilleries is
disproportionately small,
when considered with reference
to the responsibility of their
position and the duties
expected of them.

These officials are known
by several designations at
present, and their pay
ranges from Rs 30 to 80 per m-
ensem. The C. Coms consider
that they should

all in future be termed
"Darogahs" and be
classed in those grades
according to the quantity
of liquor issued from
each Distillery, with
suitable rates of pay
fixed for each.

Proposals with this
object will be submitted
for the sanction of the
Government of India,
to have effect from
the beginning of next
year, and in the
meantime, the charact
& qualifications of each
of the present Sudder
Distillers.

distillery officials
will be specially
reported on for the
Chief Commissioner's
information.

With regard to
the Lectors, there is
reason to believe that
they are imperfectly
acquainted with
their duty, simple
as it is, and arrange-
ments will be made
to secure their presence
at Bangalore on 1st
December next, in
view to their qualification
for their posts being

examined

examined by a com-
-petent person -

9. On a consideration
of all the circumstances
glanced at in the
foregoing remarks, the
Chief Commissioner
deems it necessary
that all persons
engaged in the
manufacture of
Arrack in the Sudder
Distilleries of the
province shall in
future take out
an annual license
therefor the provisions
of which shall
bind

bind them not to
combine with any
other holder of a still
in the same Sudder
Distillery, or to partake
to any measure which
has for its object
the prevention of
competition, and
also to use their best
endeavours to detect
and prevent smuggling,
and the illicit
manufacture of
spirits -

Approved: J. D.

Offg Secretary

26

Ca
Ruen

to [unclear] from

by 18" [unclear]

2 pages
D. 23
N. 5216
R. 37.
Recd 5/10/10.
16/10/14

Conveying Chief
obscure allusions regarding
the working of the
Abkany arrangement
of the Province under the
Sunder Distillery system

No 218

Mundydroog Division
Commissioner's Office
Bangalore 26th January 1874.

To

The Secretary to the
Chief Commissioner of
Mysore.

Sir,

With reference to the Chief
Commissioner's Proceedings mar-
-ginally noted, I shall endeavour
to submit in this report, as
briefly as possible, my views on
the subject of the working of
the Sudder Distillery system in
this Division, and also some remarks
on Beer, Toddy &c.

2. It is certain that the Sudder
Distillery system has not worked
exactly in the groove contemplated.
It was intended to prevent combi-

-nation

* No. 5216 of 16th Dec^r 1874
237
No. 6249 of 26 Jan^y 1874
241

nation, and to realize for the
Government, maximum profits
by a minimum sale - but the 1st
point has been evaded, and I
very much fear that the maxi-
mum of profit contemplated, has
caused new industries, not pre-
viously anticipated, to spring into
existence, notably the establish-
ment of Breweries, systematic
smuggling around the frontier,
and the extensive sale of cheap,
if not deleterious European
liquors, such as bad Brandy &c.

3. If therefore the present system
is to be retained, a thorough re-
-vision of our arrangements, must
be speedily carried out, and I would
strongly advocate, the abolition
forthwith, of all outlying Distilleries.
One such Establishment at the
Head Quarters of each District

Stilleries should be within easy
walk of the District Office. A
Distillery situated 5 miles off
may as well be 50, as far as
supervision and control over the
Establishment is concerned, for
when it is distant from Head
Quarters, everything depends upon
the integrity of the Establishment,
and where the issue of one cask
of arrack, at double the prescribed
strength, secures several hundred
rupees extra profit, such under-
paid Establishments as those
now existing, are certainly not
to be trusted.

4. With regard to the Smaller Dis-
tillery at Bangalore, I would at
once bring it into Head Quarters,
and place it in a suitable spot
under the bend of the Sumpanga
Tank

District, I think that the Distillery should be removed as speedily as possible from the place where it is now situated. If the old rest house close to the District Butchery can be made available, it is admirably situated for the purpose. If it cannot be given, a site at the edge of the big tank which I pointed out to the Deputy Commissioner would suit admirably and an enclosure can be erected at small cost.

2. It is scarcely possible to believe that the Kolar District requires more than one Distillery - I would advocate the establishment therefore of one only at the District Head Quarters as near as possible to the Butchery; and if necessary, wholesale shops under the Amildar's supervision, can

can be established at Goodipunda
and other outlying places -

9. These Distilleries at Tumkur
and Holur, should be conducted
and supervised, and the issue
of liquor controlled exactly in
the same manner as above noted
in the case of Bangalore -

10. It seems necessary to consider
these two headings together, for the
one undoubtedly has caused the other.
I consider the still head duty rates
now in force, the maximum ones
which are leviable with safety to
the Revenue. Prohibitory duties in
England in former years, led to a
gigantic system of smuggling which
was aided by rich and poor, and
the difference in the price of liquor
between what a Madras Distiller
can now charge (which is about
the same that was formerly charged
in

in Mysore under the contract system, and the price of the same liquor after it has paid still head duty, is so considerable as to be an item of importance to every villager who drinks arrack around our frontier, and therefore any information with regard to the system of smuggling, is very difficult to obtain, and the shopkeepers are not likely to give any aid, as, for one gallon that they take from the Distillery, they sell 20 which they themselves have smuggled over the border.

11. Cheap Brandy and strong beer have moreover been substitute to a very large extent in places like Banfalore, where smuggling is difficult, and all these reasons combined, tend to keep the realizations from still head duty far lower

than they ought to be. W

12. With reference to the sale of cheap European liquor, something may be done by enhancing the license rates in the case of shops which sell it, but with reference to the smuggling, the question is a much more difficult one; for there is no doubt that with the contract system all around us, which fosters the largest issue at the lowest price, the Indirect Distillery system must give rise to smuggling, as one Contractor may be able to compete with another, but still head duty has no chance

The duty on
Palmanair
liquor is
Rs 2 10 0 per
gall of 20° up-
As high as
Bany, line 800?
High as the 1/2 gallon

against outside contractors; and the existence of a first class Distillery at Palmanair the proprietor of which cleared a lac of rupees net last year, will fully account for small sales as compared with the population in the Polar District—

13. Large rewards might do something towards checking smuggling; but I apprehend that the only chance of meeting the difficulty is either to change our system to which I believe the Chief Commissioner is opposed or to induce the Madras Government to change theirs.

14. - I see no present necessity License fees for any alteration in the system of license fees, but with reference to retail vendors, with a view to place them immediately under the control of Government Officers instead of allowing them to be nominees of Distillers, each vendor should be specially appointed; this can be done either by the Deputy Commissioners or the Bench of Justices, quite independently of the Distillers.

15. - For ready reference, I beg to Breweries append to this Report copy of my

No. 1192 dated letter No. and date as per supersd,
18th Jan^y 1873-

and as the sale of country beer
has become so much more exten-
sive during the last two years,
I think the time has arrived
when the still head duty per
gallon on this particular beverage
may safely be increased. It
now pays only two annas per gallon
or Rs. 6-10 per Hopshead, and as I
learn that one Brewer alone has
sold recently ^{about} 200 Hopsheads monthly,
I think it is fast coming seriously
into competition with the sales of
Arrack and Toddy, and the Govern-
ment is therefore fully justified
in realizing a better income from it.

16. I am of opinion that it can
well afford to pay 4 annas a gallon
and that even then, a very large
margin of profit will be left
to the Brewers. The Chemical
Examiner's

Examiners recent report shows
that one of the Brewers is selling
beer above the authorized strength,
and it is evident that close
supervision on this point, will
have to be insisted on hereafter -
17. Another reason why this
liquor should be made to pay
extra duty is, that in Bangalore
it is rapidly supplanting Toddy-
and I am apprehensive that even
if we are not obliged to grant com-
-pensation at present to the Toddy
Contractors, we shall certainly
fail ever again to obtain such
a favorable tender as the last
one made and accepted for it is
certain that if the consumption
of beer continues to increase here-
-after in the same ratio as was
during the last 2 years, it will soon
drive Toddy out of the Bazaars in all

18. The Distillers, Wholesale and Retail Arrack Vendors, Toddy sellers, Brewers and holders of Beer shops, have each been given a form of License for which all except the Distillers and Toddy sellers pay a license fee. The former have not been charged, because they pay a heavy still head duty, and the latter because they are the servants of the Toddy Contractors. The amount realized under each head is given below separately for the Town and Cantonment of Bangalore, and for the Districts.

Items	Amount realized for the Town & Cantonment before it was transferred to the Municipality	Amount realized for the Districts for 18/31/74
Distillers		
Wholesale Arrack Vendors	240	1180.
Retail - do -	19095	29922.
Toddy sellers	"	"
Brewers &c	104	"
Holders of Beer Shops	3375	"
Confectionery and refreshment rooms &c.	2077	"
Total	24,891	

This is credited to Government.

19. The Forms seem suitable, and apparently do not, at present, require any special modification. In the Trinitian District and in other places shops are still under certain exclusive agencies put up to auction. but I would strongly advocate the entire abolition of this system, it ruins individuals, and brings in only a very small amount to Government.

20. The Establishments at present are poorly paid, and unsatisfactory
as regards their personnel, with the
exception of the Sudder Distillery
Establishment at Bangalore. I think myself that it would be sound policy to remunerate them liberally, and to give at least Rupees 100 per mensem to the Supervisor in charge of the Bangalore Distillery and Rs. 60 each to the Supervisors
at

at Kolar, and Tumkur. This would enable us to get superior men for the work, and there would be a better chance than at present of securing honest supervision.

21. With regard to the Tutors, it is most essential that they should be better paid, as also that they should be better qualified for the duty than at present. With the exception of one man those I examined were very ignorant, and Rupees 15 is such trifling pay that with very great temptation constantly present, it can scarcely be anticipated that the men thus employed should be thoroughly reliable.

22. I appended a Schedule shewing the present and proposed ~~Administrative~~ ^{Statistical} status of the three Districts in this Division.

Present Establishment

Proposed Establishment

District	No.	Designation.	Pay No.	Designation.	Pay No.	
Bangalore District	1	Supervisor	80	1	Supervisor	100
	1	Head Mutsuddy	35	1	Head Mutsuddy	35
	1	Asst. do	15	1	Asst. do	25
	1	Tester	15	1	Tester	25
	1	Huffadar	10	1	Huffadar	10
	1	Nauk	8	1	Nauk	8
	4	Pems @ each	28	4	Pems @ each	28
	4	do @ beach	24	4	do @ beach	24
Total - 215			Total Rs. 253			
* Including horse allowance of 20 Rupees.						
Kolar District	1	Darogah	35	1	Darogah	60
	2	Mutsuddis @ 25 Rs each	50	1	Mutsuddy	30
	2	Testers @ Rs. 15 each	30	1	do	25
	2	Huffadars @ Rs. 8 each	16	1	Tester	20
	9	Pems @ 6 Rs each	54	1	Huffadar @ 9 Rs	9
	Total - 185			Total - 180		
Tumkur District	1	Darogah	35	The same for Tumkur & Kolar.		
	1	Mutsuddy	25			
	1	Tester	15			
	1	Huffadar	8			
	5	Pems @ Rs. 6 each	30			
Total - 113			Total - 180			
Grand Total 513			Grand Total Rs. 613			

Retain price 23- This is an important point
which calls for consideration, as
with large quantities of beer being
pushed into the market as well as
inferior spirits from Europe, the
vendors find it difficult to make
sufficient profit, and being as a
rule the nominees of the Distillers,
they are squeezed by the latter to
such an extent that to obtain
sufficient to live, they are frequently
obliged to resort to the expedient of
giving purchasers stimulating
condiments gratis to induce them
to drink, and in the case of many
retail vendors this style of competition
is almost ruinous - To meet this point,
I think the Government should fix
a price at which the Distillers should
issue the arack to the vendors, and
also the retail price at which the
vendors may be permitted to sell, as

leaving a fair margin of profit to each - Otherwise the vendors are, at present, thoroughly at the mercy of the Distillers, and unable to carry on their trade unless by combining with the Distillers and accepting their terms.

24. If we are to work the Akkari upon the Sudder Distilling system, we are bound to look at it in all its bearings, and if possible to see that no class who work under it are injuriously affected by the system.

25. I beg to append a Statement - ^{The present Distillers & future} ^{regard to the} showing the Distillers in each District - ^{Statement}

Bangalore District.	Holar District	Tumkur District.
No: Name of Distillers	No: Name of Distillers	No: Name of Distillers
1. Mr. Mercer	1. Messrs Mercer and Mullappa Chetty	1. Mr. Mercer and Mullappa Chetty
2. Messrs Brown and Sopra Mood	2. Chennanarayana	2. Narayana Chetty
3. G. G. S. Chetty & Sobra Mania Mood	3. Chennarayana	3. G. K. K. Chetty & Nagappa
4. " Corbett & Karayana - Sawmy Mood	4. Venkatarayana	
	5. Narsimma Rao	
	6. B. Ramiah	
	7. B. Chikadappa	

26. It will be observed ~~that~~ there are
4 sets of Distillers in the ~~Establishment~~
outside Bangalore. These Distillers
is well known have combined for
mutual convenience to divide all
profits equally. This is in direct
contravention of the principles under
which the Sudder Distillery system
was started, and in the new arrange-
ments precautions must be taken
to prevent a recurrence of any agree-
ment of this kind.

27. With reference to No. 2 Distillery,
Mr. Brown as far as I can gather,
merely lent his name, and has never
had anything to do with the Distillery,
his partner Shapur Hood^r has moreover
been dead, for some time; again, in the
case of No. 4 Distillery, Mr. Corbett is
a non-resident, and holds contracts
in the Madras Presidency, and A.
Parayanavarma Hood^r has not
been

140
been his partner for some considerable
time past. Virtually therefore Mr.
Meyler and Govinda Chetty are the
working resident Distillers, who
at present look after the business,
and provided they give up the present
agreement under which a combina-
-tion has been established, as they were
never found fault with otherwise, I
think they have a prescriptive right
to consideration when the new Dis-
-tillery is opened, but in the case of
other Distillers the original firms
having ceased to exist, I do not
think the Government is bound to
continue them, though some of the in-
-dividual partners are men, whom
I should be glad to see engaged in
the work. To ensure competition,
however, it is absolutely necessary
that we should have additional
Distillers.

Distillers in the Establishment of
28. They to append a brief &
precis of the applications, which, I
have received, both for permission
to take up space in the Sudder Distillery
and for Brewee's &c^{co}, with my remarks
opposite each application, and I
will also note here those who seem
to me the most eligible -

Messrs Abraham & Co

Dor. Ross & Co

M^r. S. J. Apathoon -

Messrs Brown & Co

M^r. A. Narayanasami Moodalia.

29. I see no objection to permitting
each of these to erect a still in the
new Sudder Distillery provided they
bind themselves under prescribed
penalties to be noted in their License
not to combine, and thereby make
the Distillery the monopoly as at
present of one firm.

29. I have also had an application from Sumpasy Chetty and Narayana Chetty - If some further competition is desirable, I shall make enquiry as regards their ability to carry on the work -

30. It will be perceived that applications for Breweries and the sale of Palakully rum &c. have also been received, and opposite to each I have noted my opinion, and the Chief Commissioner can pass his orders thereon -

31. Tumkur District - When the present tumble down, old mud building with walls that any one can step over, and without a Government Godown of any kind, is abolished, and a proper Enclosure in a suitable locality has been erected, suitable men as Distillers can be nominated. At present Mr. Meyer and Mallappa

33

Chetty are the only men on whom reliance can be placed, the other Distillers being men of straw. Mr. Brown has applied to be one of the future Distillers, and I believe one of the Madras firms and Mr. Hawley are also anxious to have a share in the work of that District.

32. The Holar District Distillery arrangements can be dealt with in the same manner as those above noted for Simkūr, as soon as a suitable enclosure has been erected at Head Quarters.

33. I beg to attach the following schedules and statements to enable the Chief Commissioner to peruse for himself with reference to the propositions submitted.

1. Schedule of Establishments.
2. Statement of Distillers
3. Statement showing the quantity of

of a rack on which still head
duty has been realized from the
period of the introduction of the
Sunder distilling system -

34 - There is only one other point
which I am called upon to advert
to, before concluding this letter,
namely, The suspiciously small
consumption of liquor in the Hunter
District remarked on by the Chief
Commissioner

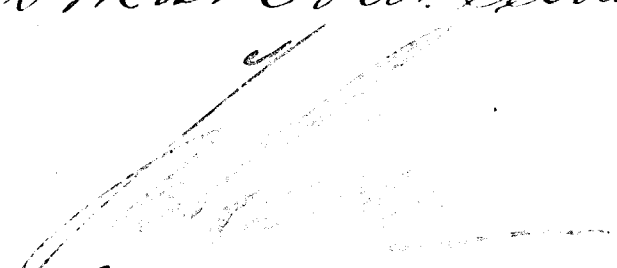
35 - I fully believe that it is
entirely attributable to the character
of the building, and the inefficiency
of the Establishment; and that as
soon as other and better arrange-
ments are made, a marked improve-
ment in the Returns will be at
once apparent -

36. In conclusion, I have to apolo-
gize for the delay in the submission
of this report, but other work has

pressed so heavily of late, that it has
been difficult to find time for
careful review of the whole subject.
Sir Richard Meade will see
that I do not propose any exten-
sive fundamental changes, but
that I advocate before attempting
a change of system to improve the
present mode of working, and
possible to do better with our Sys-
tem and Establishments as they
stand -

I have the honor to be,

Sir,
Your Most Obedt. Servant


Commissioner.
Mundy, drag Division

To: 1873: R. 218

From The Commr. Genl. Dep.

To The Secy. to the Ch. Commr. Genl. Dep.

Dated 26th Aug. '75.

Despatched

Received

Enclosures No.

General No. 2187
No.

Secy. to the Ch. Commr. Genl. Dep.
6th of the 16th Octob.
R. 4 to R. 3
Total: 74 respec.
ively

Submits report on
Subject of the
altering of the Indian
system in
the

No 281
R 1.

16. 4. 6. 0
10th April 1876

To

The Commr. Mysore Dist.
Sir,

With reference to your letters Nos. 318 & R.10. of the 26th January and 12th April 1875, pointing out ~~various~~ ^{the} defects in, and offering certain suggestions for improving the existing At-Pass arrangements, I am directed to refer you to the Chief Commr's Proceedings No. 9587 of 11th March 1876, in which the excise duty on beer has been raised from 2 to 4 Annas per gallon; and to request that you will report separately whether you consider it necessary that any further measures should be adopted in regard to this liquor.

2. With regard to arrack, the Offg. Chief Commr. observes, that it has been repeatedly

Proven

proved by experience
in other Provinces that
all attempts to break
up combinations among
the Distillers will fail,
if the Sudder Distillery
System as now worked
is maintained, and
that this combination
has everywhere as in
Mysore, resulted in a
disastrous loss of Revenue.

3 After a careful
consideration of the
subject Mr Dalzell
is satisfied that some
modified System similar
to that recently adopted
in the Madras Presi-
- dency must be intro-
- duced as the only
means under which
the State can realize
its proper dues from the
taxation of liquor, and
prevent a large propor-
- tion of Revenue from
being diverted to the po-
- ket of the Distiller
and Salesman of the
spirits, but he would
first like to have an
early expression of

your views as to whether
it will be advisable to
call for tenders for the
exclusive right of man-
-ufacture only, or both
manufacture and sale

I am desirous to
~~draw~~ direct your attention
to the Advertisement
which appears in the
Fort Saint George Gazette
of the 13th April 1875 in
regard to the Tanjore &
Comibatore Districts; &
to request you will be
good enough to prepare
a similar Notification
with such modification
as may be necessary to
adapt it to the circum-
stances of the Bangalore
District, in which Mr.
Salzell would wish to
introduce the system ex-
perimentally for a
specific period - say for
21 months from 1st July
next. The Advertisement
should contain particu-
lars as to the number
of gallons sold in the
Town and Country
during the past 5 years.

as

29
as well as the duty,
license fees & retail prices.

You will observe
that the right to manu-
-facture and sell spirits,
under the system which
obtains in the Madras
Presidency, is vested in
a single individual, who
pays a fixed duty and
guarantee at the same
time a fixed gross re-
-venue, and if the
payment of excise duty
on the liquor issued from
the Distillery during a
quarter falls short of one-
-fourth of his guarantee
he is required to make
up the amount by a
fixed lump payment.
The effect of the guaran-
is to induce the Distiller
to check anything like
illicit distillation or
smuggling out of the
Distillery, as either
would necessarily reduce
his payment of excise
duty and increase the
lump payment re-
-ferred to. The Dis-
-tiller is permitted
to

1896.

40

The Commissioner of the
Nautidrog Division

Dated 10th April 1896.

Replied —

Page 281 ✓
R 1

Communicating certain remarks
relative
with regard to the existing
Wharve arrangements.

From the same 2nd 1896

old.
The Madras President
Rs 1-4-4 per gallon is
calculated to cover the
cost of manufacture &
sale, but the spirit is
30° under proof, whereas
here it is 19° below
proof. The ~~cost~~ ^{cost} is
therefore be appropriately
fixed at Rs 1-4-4 the
gallon -

Shaw

M. M.
W. S. S.

copyd.
R.A.
17/4/46.

No. R 57

Munddroog Division
Commissioner's Office
Bangalore 2nd June 1896

To

The Secretary to the
Chief Commissioner
of Mysore.

Sir,

With reference to your letter
and the Chief Commissioner's
Proceedings marginally noted.
I have the honor to submit
the following remarks for
the consideration of the Chief
Commissioner.

2. I concur with Mr. Dalrymple
in thinking that the Madras
system may be tried in
all the Districts of this
Division, with every chance
of success. It might be
given for 2 years, from the
1st of October 1896. The
minimum may be fixed
at

Letter No: 281 of 10th April 1896.
Pro: No: 1048 of 8th May 1896

at the average realizations
of the last 5 years, one fourth
of the minimum should be
the amount of tangible
security which lenders
are ultimately to furnish.
The densities may be fixed
at 20° and 30° below proof and
the rates of duty and of
retail sale can remain as
at present for the Town, Can:
nament, and Talooks, with
a pro rata reduction only
in the case of liquor 30° below
proof. The Laffer should,
I think, be allowed to have
wholesale shops in all
Cushaks, and large towns,
and for the present the
existing retail shops
should be allowed to stand.
The license fee should more:
over be paid exactly as at
present, and extra sales beyond
the

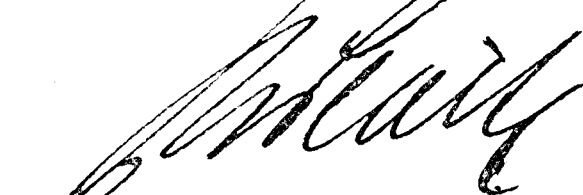
The minimum should be paid
at identical rates ~~there~~ and
above the foregoing conditions,
I think there should be no
interference on the part of
Government with the arrange-
ments which the Lessee
may make for the sale of
his liquor by retail; but
in all cases the establish-
ment of new shops must be
authorized by the District
Officer, and the transfer of
any Shop from one locality
to another must receive
his approval.

3. I beg to enclose a
draft Notification calling
for tenders, which I am
desirous of promulgating
as speedily as possible.
also two statements, one
showing the realizations,
in the Town and Cantonment,
and in each District, during
The

~~The~~ last 5 years, and the other
shewing the Revenues from
Beveries.

4. There is only one other
point regarding which I would
wish to have the Offg:
Chief Commr's opinion:
before issuing the
Notification. It seems to
me that it would be a good
plan in the first instance
to divide this Division
into 4 Regions viz: the
Tarn and Tarnment, the
Bangalore District, the
Trunkur District, and the
Kolar District: probably
with a good man looking
after each, we should very
soon be able to ascertain
what Government ought
to realize under the present
system if the working
of the Sudder Distillery had
been above suspicion -

5. With regard to beer there is no doubt, but, that the rise in the duty has checked consumption. I hear that the sales have fallen to about one fourth the former quantity, and that one Brewer only sold 3 Hogshead of beer in April. Any enhancement of the duty at present does not therefore seem advisable.

I have the honor to be,
Sir,
Your Most Obedt Servant,

Commissioner
Rumdychoof Division

Received 1876. 50
 From The Comptroller
 of the Treasury
 To Secretary to Chief Commissioner,
 General Department.

Dated 2nd
 Despatched June 1876.
 Received
 Repd.

ENCLOSURES NO
 General No. 50 } 1876-77
 A. No.

City of New York 281 and 1048
 April and 8th May
 respectively -
 Submits a Draft Note
 for adoption
 of the system
 of Harris in the
 Treasury Division.

reference to the copy of the
 long Providence, which
 was lately sent to him.
 3/6

I think the plan proposed by
 Colonel Penne may be that
 not to send all the
 letters to have management
 of all shops except in
 Providence. He intended
 to be able to manage without
 that then. The duty to
 receipt will be raised to the
 4th of June to 3.4 & the 2.4 what
 the duty to be paid.

45

Recd. Letter N^o 218 R of the
26th January 1875 from the
Commissioner of the Can-
dydroop Division, submit-
ting a detailed report on
the existing Abkari arrange-
ments of the Division.

JA 10-74
SL 5

(2.) Letter to the Commissioner
Candydroop N^o 281 dated
10th April 1876, suggesting the
advisability of introducing
the ~~Abkari~~^{improved} Excise system
in lieu of the ~~above~~^{present} ~~Abkari~~
~~Distillery system~~
~~arrangements.~~

(3.) Candydroop Commis-
sioner N^o 50 dated 2nd June 1876,
submitting his views on
the proposed ~~system~~^{change}

(4.) Notification N^o 148
dated 2nd July 1876, inviting
tenders for the exclusive
privilege of manufacturing
and selling arrack in the
Town, Cantonment and
District of Bangalore, for
two years from 1st October
1876 to 30th September 1878.

(5). Notification No. 178 of
12th August 1876, cancelling
the above Notification
as the present distillers
had been licensed to manu-
facture Arrack in the Sadar
Distillery till the close of
the Official year 1876-77.

6). Maudydrop Division
Commissioner's letters Nos
6 and 134 of the 29th July
and 11th September 1876 res-
pectively, submitting the
views of the Deputy
Commissioners of the
Bangalore, Kolar, and Tum-
kur Districts on the proposi-
tion of the Sadar Dis-
tillery system ~~and the in-
troduction of the Excise sys-
tem in its place.~~

Maudydrop Commr's
No. 631 dated 7th March 1877,
submitting a valuation
estimate, ~~prepared by the
district surveyor~~, of the
private buildings at present
existing in the Distillery

(8). ¹⁴⁶⁸⁷ Naedydroof Columns
No. 22nd of May 1877, sub-
mitting opinion as to the
densities of liquor to be
issued by the Distiller -
~~under the proposed system~~

9). Letter No. 670 of the
9th May 1877 from the Pre-
sident of the Municipal
Commission, submitting
opinion on the proposed
reduction in the number
of Arrack shops in the
Town and Cantonment of
Bangalore.

Order thereon:-

For some years past,
the irregularities and
abuses connected with
the Abkarri Arrangements
of the Province, which are
worked under the Cedar
Distillery system, have been
under consideration.

2. Under this system,
which was introduced in
May 1871

~~clerk~~ in the year 1862,
~~fact~~^{fact} individuals were
permitted to manufacture
arracks of a fixed strength
in a government enclosure on condition of
paying ^{the prescribed} ~~an~~ still head
duty per gallon before the
liquor ~~leaves~~ ^{was passed out of} the distillery.

3. The very essence of
this system is competition
among the distillers and
vendors of liquor, which
should result in keeping
its price moderately low &
at the same time in in-
creasing the Government
revenue. Sir R. Meade,
whose attention was first
directed to the subject, ob-
served in his Proceedings
of the 16th October 1874, No.
5216, that ~~beyond doubt~~
³⁷ such competition ~~does~~ ^{did} not
really exist, and that there
~~was~~ a combination amongst
the manufacturers, in some
cases at least, to an extent
which virtually ^{make} ~~makes~~ them

Order

In his Order No 5216 of
16 Oct 1874, Sir R. Meade
Announces strongly on his
unsatisfactory working of the
~~System~~ ^{System} introduced
in to the Province in 1862, ~~was~~
~~that his dissatisfaction~~
~~was~~ and the
insufficiency of his safeguards
provided by the system to
prevent combination among
the distillers, &
~~that his~~ ^{that his} ~~dissatisfaction~~
has shown the necessity
of modifying
the system.

2. This opinion was shared
by his successor, the Right
Hon. R. A. Dalrymple whose experience
of the working of the various
Arrangements which
have been tried in the Province
has led him to
express his views strongly
in favour of the introduction
of what he has termed
the improved house system
which is adopted in several

simply share-holders in a highly profitable business. The natural result of this combination were (i) that the distillers took little or no interest in the detection & prevention of smuggling and illicit manufacture of spirits; (ii) the liquor was often passed as of the distillery above the authorized strength & afterwards diluted at the vendors' pleasure; & (iii) as there was no restriction as to the retail price at which the liquor was to be sold to the public, the Distillers & vendors realized an extravagantly large amount of profits at the expense of both the State & its subjects. Sir R. Cleave was, therefore, of opinion that the system worked defectively on one of the chief points essential to its success, & that some modification of it was absolutely necessary.

4. Mr. Dalzell, who has had

60
considerable experience
as to the working of the
Abkarri system in the Ma-
dras Presidency & other
parts of India, held the same
view. He was of opinion
that all attempts to break
up combination amongst
distillers must fail if the
Sadar Distillery system, as
now worked, was main-
tained, and that the pro-
posed modification should
take the form of the Excise
system successfully adopted
in the Madras Presidency,
some of the principal features
of which are ~~briefly stated~~ ^{that -}:-

(I) The right to manufacture
and sell spirits is ~~rented~~ ^{assigned} to
a single individual who
guarantees to pay the pay-
ment of a minimum revenue
in consideration of the mo-
nopoly of sale, the amount
of the guarantee being esti-
mated by reference to the
average of the issues from

the Distillery for the past
5 years; (II) It is the ~~renter~~

* Duties of the Madras
Presidency, in
principal features
which are as follows

the Govt. possesses him a guarantee, assured by him
It is the renter

~~an interest to see that~~
illicit distillation, or
smuggling is carried on in
the District ^{except} ~~excepted~~ to him
(111) The Govt. can regulate
the retail prices & the strength
of the liquor to be issued,
and can place upon the
renter such other restriction
as may be considered de-
sirable in the interests of the
public & of the state.

3. The subject has received
further careful consideration
and is ~~encouraging~~ ⁱⁿ his
predecessor's ~~in~~ ^{the}
opinion ~~of the~~ ^{the} ~~Government~~
~~of the~~ ^{the} ~~Government~~
intends that his new
system shall have been
partially introduced
in the Kanderoo Dist.
in last year. Circumstances
have ~~occurred~~ ^{however}
which ~~under~~ ^{have} ~~caused~~
~~delay~~ ^{it necessary} to
defer action at that
time. The prospect of
a better season makes
it now practicable, in
the Capt. Commr's opinion,
to ~~enter~~ ^{to} the project, &
as ample consideration
has been given to the interests
of those affected by it,
it has been resolved to
bring the measure into
force in the Kanderoo

5. After consultation
with the Commr. of the
Kanderoo Division, & after
a very careful considera-
tion of the whole subject,
Mr. Saunders coincided in
the views held by his pre-
decessors as to the decided
failure of the Sedar Disti-
lery system, & resolved, in
July last, to introduce the
new system into the Tawar
Cantonment & District of
Bangalore, as an experimental
measure, for 2 years from
the 1st of October 1876. But
the measure was postponed
as it was ~~unfavorably~~ ^{reported} dis-

~~was~~ ² ~~assumed~~ that the Distillers & Vendors had been ^{already} licensed to manufacture & sell arrack up to the 31st March 1878.

Govt. Jan 1st Jan 1878.

6. The papers connected with the subject having again been laid before him, the Chief Commr, having regard to the present condition & circumstances of the province, and with a view to give ample notice to intending tenderers, considers that the measure may well be postponed to the 1st of January next, the necessary preliminaries being arranged in the meantime.

7. The Chief Commr now proceeds to pass orders on the several questions discussed in the correspondence above read, and, in doing so, would first advert to some of the objections raised by the Deputy Commr of Bangalore against the proposed system.

8. Mr Ricketts remarks that, if the monopoly of

arrange to be rented to a single individual, he would naturally do all in his power to stimulate increased consumption. There is not much force in this objection, and it might equally be urged in respect of the present distillers who are 4 in number & who have got the monopoly, as it were, in their hands.

9. The next objection urged by Mr Ricketts is, that a new renter would be ready with all sorts of complaints if the number of retail shops be reduced, or license applied for by him be refused. On this point Mr Sam observes that the Renter cannot have any just cause for complaint as one of the conditions of the Contract is, that no increase to the existing number of shops should be made except with the sanction of the Dy Comm.

10. Another objection put forward by ~~the Deputy Comm~~

~~of Bangalore~~ is, that the
giving of a minimum
warranty would induce spe-
culative tenders & ultimately
necessitate the grant of re-
missions. Speculation must
be expected in all large con-
cerns like the one under
reference, but the grant of
any remission would be a
matter of grace, & no such
concession will be granted
except on very cogent grounds.

11. With regard to Ch. Comr Ricketts'
remark, that the new recter
might get careless in the
mode of manufacture and
that the quality of the liquor
would thus deteriorate, ~~the~~
~~Chief Comr~~ ^{it is} observed that
clause 5 of the conditions
appended to Section VI of the
Notification provides that
the articles used in distilling
shall be approved by the Comd.,
& the ^{Ch. Comr} directs that an additional
~~provision~~ ^{change.} be ~~made~~ ^{added to the effect,} ~~therein~~ that
all ingredients used in distilling
should be shown to the Distil-
lers, Supervisors or other foot

^{taken}
~~removed~~ into the Distillery,

to enable the said
Officials to see that the
Articles brought for use
are of the same quality
and description as the
samples approved by the
Commissioner.

12. Chief Ricketts appre-
=hends that the Arrack
Contractor's interests and
the new system would
be in direct variance
with those of the Toddy
Contractor and Brewery
owners. This clashing
of interests could be pre-
=vented only by limiting
the number of Toddy
shops and Beer tavern
~~and which should~~
~~but this cannot~~ be
done after the expiration
of the existing Contract.
The Commissioner's at-
=tention is drawn to the
point -

13. Now, as to the ar-
=rangements connected
with the introduction of
Proy

proposed Excise system the
first question for consi-
deration is, into which

of the 3 Districts compri-
sing the Kandyroo Di-
vision should the proposed
measure be first introduced?

In this point, the Chief
Commissioner considers
that the experiment ~~can~~
should be tried in all the

3 Districts simultaneously;
and with this end, he
directs that the distilleries
at present existing in the
Lumbur and Kolar Districts
be abolished, the one at

Bangalore being made
use of
~~available~~ by the successful
reuter ~~under the new sys.~~
for the manufacture

~~term for the supply of liquor~~
~~required for consumption in~~
~~the whole Division.~~

The present distillers will

be required to remove the unused
apparatus

stock ~~for~~ that they may

have on hand, or make

their own arrangements

4 The arrangements necessary
in giving effect to this
measure may be briefly

stated:

(a) There will be paid to
the 1878, a single Distiller
at Bangalore. 3 Distillers
Lumbur for the
Compensation in the hands
of the, and the existing
Distilleries in the Lumbur
Kolar Districts will be
closed from that date

(b) The valuation statement
of the buildings occupied
by the existing Distilleries
will be made ~~by the~~
the Chief MWD, and
on receipt of this statement
the amt. to be paid to the
owners will be determined
in such manner as the
Chief Commr will hereafter
direct.

(c) The existing Distilleries will
be required under notice
from the Commr of this
Kandyroo Div to leave
the buildings in

in apparatus for distilling
which may not be included
in the valuation schedule
of the premises, and
all unissued stock &
materials not then
in hand -

(d) The conditions under which
the manufacturing sale
of arrack ~~from the~~
~~Manufacture Distillery~~
for the hundred years for
his term ~~to the~~
the Rent whose
tender may be accepted,
shall purchase at
fair & reasonable
rates, all liquor which
may have been actually
manufactured and
is remaining on hand,
on the 31 Dec 1877; and
it shall be at the option
of the said Renter to
purchase all such
stock & materials as
the present owner may
be willing to dispose of

them.
(e) When the arrangement for the
acquisition of the building,
between the Distillery and
an Ampley, shall be complete,
the Renter who has
under the conditions herein
after provided, to require
to pay to the ~~Govt~~ ^{Govt} ~~the~~
sum of Rs 1000 as rent for
the use of such premises,
the heretofore

regarding the disposal of the
renter will be required to pay up
the liquor actually manufactured and remain
on hand on 1 Jan 1878, paying
~~the above Distillery~~
such compensation to the present holder,
as may be fixed by law.
The Deputy Commissioner

reports that, when the
present

distillers were originally
permitted to erect stills
within the Government
enclosure, no terms appear
to have been entered into
by them in regard to the
buildings being, if ne-
cessary, dismantled
and the site cleared. It
appears therefore nothing
but fair that the pre-
sent distillers should
be compensated for the
expense they have incur-
red in erecting the build-

ings. The present value
of the buildings

of which is roughly es-
timated at Rupees 2340

by the District Survey.

The Chief Engineer is

requested to submit a

Carefully prepared value-

ation estimate of these

buildings, on receipt of
which

which the amount to be paid to the owners will be determined by a Committee of Officers appointed by Government, for the purpose, but it must be distinctly understood that the Government does not bind itself to purchase the buildings at the valuation that may be fixed.

15. When these arrangements are concluded, it will, Mr. Saunders considers, be practicable to rent one of the buildings to the new renter, and require the removal into the other buildings of the 3 beer breweries, which, being situated in different localities, are, at present, virtually without any control or supervision of Government Officials.

The amount of the rent payable by the new renter

set apart for his use will
be determined here
after, and the payment
of this amount will form
one of the conditions on
which ~~the~~ ^{he} former will
be allowed to manufac-
ture spirits in the build-
ing.

16. The ^{present} distillers should
make their own arrange-
ments with the new
renter as regards the ap-
paratus &c., but the
latter will be required
to buy up all liquors
that may remain in the
hands of the former on
the date on which the
new system comes into
operation.

17. As regards the
Commissioner's proposal
to remove the Bangalore
Distillery from its present
site to one under the Sum-
pully tank, the Chief
Commissioner observes
that

that on ~~the~~ sanitary and
~~other~~ grounds, it is open
to objection, and considers
that the present ^{site} ~~distillery~~
~~enclosure~~ should be re-
tained, some additional
precautions being taken
1) in issuing specific hours,
say from 7 to 9 in the
morning, two or three times
a week, for issue of liquor,
when an Assistant
Commissioner should be
directed to visit the place
at intervals, and (ii) in
improving the position
of the Supervisor or Da-
roga so as to place him
and his establishment,
as far as practicable,
above temptation.

18. As regards the
strength at which the
liquor should be issued
from the Distillery, the
Deputy Commissioners
of the Bangalore and

19. Distillery

favor of having ~~3~~ different
densities, viz, Proof, 20°
up, and 30° up; while
the Deputy Commissioner
of Tunkia states that
the first two would suf-
-fice. The Chief Comm-
-missioner considers that the liquor
may be issued from the
distillery at proof and
20° up, and that, should
there be any demand
for liquor of a lower
strength, it may be re-

duced to 30° up, by the
distiller and sold at the
wholesale shops to re-
tail vendors at propo-
-tionately reduced rates.
It is said that the price
of this indulgence to
the distiller will give
room for fraud, to pre-
-vent which, the liquor
should, it is suggested,
be reduced to 30° up, be-
-fore it leaves the di-
-stillery, but the hear-

penalty which the distiller
 will incur by diluting the
 liquor below the prescribed
 strength is a sufficient
 guarantee against any
 breach of the prescribed
 rules on his part.

6. The amount of still
 head duty inclusive of
 the Local ceps at one anna
 per Rupee payable by
 the rectifier to Government
 and the wholesale and
 retail prices chargeable
 by him to the public will
 be regulated according to
 the rates in the following
 table.

5. The Rectifier with permission
 to give Arrack manufactured
 at the Distillery at two
 annas by at proof and
 at 20° under proof + ~~the~~
~~Settled duty thereon~~
~~from production of local~~
~~cep at the anna per Rupee~~
 shall have to pay demand of
 1 anna of a lower strength, the
 Rectifier will be allowed to reduce
 it at his wholesale depot to
 30° under proof, and to sell
 it at proportionately reduced
 rates.

Locality	Proof						20° u.p.						30° u.p.					
	D			D			D			D			D			D		
	Fallon			Dram			Fallon			Dram			Fallon			Dram		
Bangalore Tavern and Canteen	Still head duty			3	15	9.	"	"	"	3	3	"	"	"	"	"	"	"
	Wholesale price			4	15	9.	"	"	"	4	3	"	"	"	"	3	11	"
	Retail price			5	8	9.	"	1	10.	4	12	"	"	1	7.	4	4	"
Districts	Still head duty			2	14	6.	"	"	"	2	2	"	"	"	"	"	"	"
	Wholesale price			3	14	6.	"	"	"	3	2	"	"	"	"	2	10	"
	Retail price			4	4	6.	"	1	5.	3	8	"	"	1	2.	3	"	"

Assuming the cost of man-
-ufacture at the
average rate of $11\frac{1}{2}$ annas
per gallon, the above rate
leave a fair margin of
profit both to the Distil-
-ler and the Vendar.

For Retail shops

In the Mangalore Cantt & Town.

Rs 100 per annum for each shop
and 4 as extra for each gallon
sold in ^{during the month} ~~in~~ ^{of} 60 gallons.

In the Districts

Taluk Hasbati - 8 Rs per Mensem
Hobli - 4 " per " do
Villages - 2 " per " do

For wholesale shops

Rs 24 per annum

* I have entered the proposed
rate as no action have
been passed on my
proposal to raise
the license fee for
retail shops in Mangalore.
Please see para 48
of the Mangalore Report.

None of the
shops are
to be
closed
Rs 150

20. Licenses for retail
shops will be issued as
usual on payment of
the prescribed fee.

21. The Commissioner
proposes that the new
center shall be allowed
to have wholesale shops
in all Hasbats and
large towns and that
for the present the exist-
-ing retail shops should
be allowed to stand,
but the Chief Commr.
considers that the center
should have control
over all the shops, whe-
-ther retail or wholesale
and that their entire
management must be
left in his hands sub-
-ject to the supervision
and

and control of the foot
authorities.

3.2.4. Mr. Saunders deems
it advisable that the
management of the retail
shops in the Town and
Cantonment of Bangalore
should also be transferred
to the new center. At
present there are 75 shops
in the Cantonment and
35 in the town, and it
has been suggested that
this number should be
reduced. The President of
the Municipal Commis-
sion, who was consulted
on this point, is not in
favor of any reduction
being made in the existing
number, which, he considers,
is not more than is
actually required. The
Chief Commissioner
cannot share in this
opinion. He considers
that the number may

The Captain considers
that the N. police
arrange shops in Bangalore
very well & reduce. There
are at present 75 license
retail shops in the Cantonment
and 35 in the Town. The President of
the Municipal Commission
is in favor of any reduction
of shops in the Cantonment
view of the President of
the Municipal Commission
has been consulted
and though Mr. C. is not
in favor of any numerical
reduction, the Captain
is satisfied that it is
in the interest of the
Community at large that
the no. of shops in the
Cantonment should be
reduced to the first instance
to 60, and in the Town
to 25; the license fee
on each shop being
simultaneously raised
from 15 to 20 Rs per

the Cantonment and 25
in the Pettah, the license
fee on each shop being,
at the same time raised
from 15 to 20 Rupees per
mensem. If, by the ar-
rangement now sanc-
tioned, the Municipal
revenue suffers seriously,
it would be practicable
to fix on a sum ^{which} ~~variable~~ the
Government will guarantee
to the Municipality, to
whom the license fees
are now payable.

23. With regard to the
proposal to allow a dis-
count of 3 per cent for
relage and leakage in
the case of liquor issued
for consumption beyond
the Municipal limits
of the town and Cantor-
ment of Bangalore, the
Chief Commissioner re-
serves that this indu-
gence has not been
granted to the Abkars
reuter

rester in Coorg, and there appear to be no special reasons for authorizing it in Mysore.

24. With regard to the establishments at present attached to the Bangalore Distillery, the Chief Commissioner considers that a thorough revision is urgently called for. At present, the Officials are mostly low paid and are not above temptation. To secure qualified and honest men, Mr. Saunders is of opinion that the salaries attached to some of the responsible posts should be raised, and he accordingly sanctions the entertainment of the establishment noted in the margin at a cost of Rupees 550-0-0 monthly, or Rupees 31 more than that of the present establish-

10. The new establishment for a revision of the Bangalore Distillery. The establishment attached to the Bangalore Distillery which will run in 1898, from according to the marginally noted scale. The establishment cost will be Rs 550, of which a monthly bill under the Andaman set forth in the budget to be paid by the Revenue.

	Pay -	House allowance.	Total.
1. Supervisor	120	0	120
1. Dy Supervisor	100	25	125
4. Taxitors, (1 for each District & 1 for Bangalore Town & Cantonment)			
at Rs 30 each			140
1. Head Muntowdy			35
1. Dy do			25
1. Draft a dat			10
1. Mungie			8
8 peons - 4 @ Rs 7 each			28
4 @ Rs 6			24
1. Maskechey			5
Total			550

This charge will be payable
by the renter. It should
be made a condition of
appointment that the Sec-
-retary & the Deputy Sec-
-retary should reside at
the Distillery by turns.

11. A resolution
embodied in a
the conditions in
proceedings in the
the Mysore Gazette
area

25. The notification issued
in July last will be revised
in accordance with the
above orders, & published
in the local papers & the
Fort St. George Gazette for
general information.

26. Ordered that a copy
of the revised notification
and of these Proceedings be
submitted to the Govt. of
India for information, in
continuation of this Office
Letter No. 824/9 dated 24th March
last.

Offs. Secretary

2 Commr. Nandydroof De.
Deputy Commrs. of the
Bangalore, Kolar and
Tumkur Districts.
Deputy Accountant General
President Muz. Commission
Bangalore

Handwritten signature: *W. L. G. 1871*

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Read: -

1126 of 26 June 1879
P.

Ch.
V-2/4
22/6

Letter No. 666 of the
June 1879, from the
President, Cantonment
Municipal Commission
reporting on the Petition
of C. Karainsawmy Kood,
late Arrack Vendor in the
Cantonment of Bangalore
complaining of the withdrawal
of his license

Order thereon.

ADG
24/6

The selection for
~~the~~ reduction of Arrack
shops of those ~~belonging~~
~~to~~ who recently
obtained their licenses
in 1875 was proper,
but the ^{justice} ~~possibility~~ of reduc-
ing the shops whose sales
were lowest without
reference to their in-
dividual ^{claims} ~~circumstances~~
is not quite so appar-
~~ent~~ ⁱⁿ ~~cept~~ ⁱⁿ ~~those~~ ⁱⁿ ~~cases~~ ⁱⁿ ~~which~~
~~the~~ ~~falling~~ - 10

in the sales is attri-

butable to any
neglect or misconduct
on the part of the

license-holder, the closing of the shop can be
with no fair ground
for complaint.

2. The Petitioner
states that he had
held his license for
upwards of 40 years,
and that his sales

fell off as other shops,
beer, Toddy and arrack
were opened in the
neighbourhood. His
case, if his statements
are true, seems deserving

of consideration. The

President is requested

to ~~see justice done~~ Take his claims into account as also those
of

~~to him and to any~~
others similarly cir-

- cumstanced., on the occasion of shop
falling vacant.

3. The retention
of any retail shops

by the Distillers is
opposed to the orders
recently issued on
the subject, which
require that the
retail vendors ~~should~~
~~be~~ should be distinct
from the manufacturing
Contractor. Vide para
4 of the Chief Commr's
Proceedings No. $\frac{8149}{R. 161}$

of the 9th January 79
The President ~~and~~ of
the Municipal Commⁿ, Bangalore &
~~the~~ Dy. Commissioners
of the several Districts
are requested to give
effect to the orders
above referred to,
and though the Chief
Commissioners will
not insist upon the
withdrawal at once
of the licenses for
any shops which the
Distillers may now hold

he desires that they
maybe withdrawn
therefrom opportunities
exist for so doing.

Withdrawal of contract
licences in Bangalore
Cantonment.

^{cy}
Rev Secty.

3. The President, Cantt.
Municipal Commn.

Draft for app.

The Dy Commissioner
Bangalore D.

copy of Para 3 ^{by} to the
Dy. Commr. of the Other Districts
& to the Commr. of the
Ashta gram & Nagar Dms.